

(The Companies Act, 2013)

Company Limited by Shares

Memorandum and Articles

of

Association

of

**KKALPANA INDUSTRIES
(INDIA) LIMITED**



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, Kolkata

Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C Bose Road, Kolkata, West Bengal.

Corporate Identity Number : L19202WB1985PLC039431.

SECTION 13(1) OF THE COMPANIES ACT, 2013

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

The share holders of M/s KKALPANA INDUSTRIES (INDIA) LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 30/09/2015 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act 2013.

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

Given under my hand at Kolkata this Second day of November Two Thousand Fifteen.

SAURABH GAUTAM
Registrar of Companies
Registrar of Companies
Kolkata

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

KKALPANA INDUSTRIES (INDIA) LIMITED
28 PRETORIA STREET, KOLKATA - 700071,
West Bengal, INDIA.





GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, Kolkata

Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C. Bose Road, Kolkata - 700020, West Bengal, INDIA

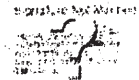
**Certificate of Incorporation pursuant to change of name
[Pursuant to rule 29 of the Companies (Incorporation) Rules, 2014]**

Corporate Identification Number (CIN) : L19202WB1985PLC039431

I hereby certify that the name of the company has been changed from KALPENA INDUSTRIES LIMITED to KKALPANA INDUSTRIES (INDIA) LIMITED with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name KALPENA INDUSTRIES LIMITED

Given under my hand at Kolkata this Ninth day of March Two Thousand Fifteen.



BIBEKANANDA MOHANTY
Registrar of Companies
Registrar of Companies
Kolkata

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

KKALPANA INDUSTRIES (INDIA) LIMITED
2B PRETORIA STREET, KOLKATA - 700071.
West Bengal, INDIA

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, पश्चिम बंगाल

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L19202WB1985PLC039431

मैसर्स KALPANA INDUSTRIES LTD.

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
KALPANA INDUSTRIES LTD.

जो मूल रूप में दिनांक तीन सितम्बर उन्नीस सौ पचासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स
KALPANA INDUSTRIES LTD

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि 507 (अ) दिनांक 24.6.1985 एस्.आर.एन. A45965480 दिनांक 14/10/2008 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
KALPANA INDUSTRIES LIMITED

हो गया है और यह प्रमाण-पत्र, कथित अधिनियम की धारा 23(1) के अनुसरण में जारी किया जाता है।

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा कोलकाता में आज दिनांक चौदह अक्टूबर दो हजार आठ को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, West Bengal

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L19202WB1985PLC039431

In the matter of M/s KALPANA INDUSTRIES LTD.

I hereby certify that KALPANA INDUSTRIES LTD. which was originally incorporated on Third day of September
Nineteen Hundred Eighty Five under the Companies Act, 1956 (No. 1 of 1956) as KALPANA INDUSTRIES LTD
having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of
the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act,
1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E)
dated 24/06/1985 vide SRN A45965480 dated 14/10/2008 the name of the said company is this day changed to
KALPANA INDUSTRIES LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Kolkata this Fourteenth day of October Two Thousand Eight.




(NAUBAT SINGH)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies
पश्चिम बंगाल
West Bengal

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:
KALPANA INDUSTRIES LIMITED
2B PRETORIA STREET, KOLKATA - 700071,
West Bengal, INDIA



Cno - 39431

नाम में बदली के परिणामस्वरूप निम्न के लिये नया प्रमाण-पत्र
FRESH CERTIFICATE OF INCORPORATION CONSEQUENT
ON CHANGE OF NAME

कम्पनियों के रजिस्ट्रार के कार्यालय में
[कम्पनी अधिनियम, 1956 (1956 का 1) के अधीन]
In the Office of the Registrar of Companies, W281, Bengal
[Under the Companies Act, 1956 (1 of 1956)]

... ..के लिये
IN THE MATTER OF KALPANA MERCANTILES LIMITED

मैं एतद्वारा प्रमाणित करता हूँ कि परिलक्षित त्रिका निगमन मूलतः 19 के के
... .. दिन अधिनियम के अन्तर्गत और परिलक्षित
नाम द्वारा किया गया था कम्पनी अधिनियम 1956 की धारा 21/22 (1) (क)/22(1) (ख) के निर्वाचनों के अनुसार बादवर्क
संकेत पारित कर चुकी है और इसकी वाचन केन्द्रों के तहत की गयी अनुमति कम्पनी कावे दिभाग द्वारा प्रदान कर दी गई है।
I hereby certify that Kalpna Mercantiles Limited, which was originally incorporated on 3rd
day of September 1955 under the Companies Act, and under the name Kalpna
Private Limited having duly passed the necessary resolution in terms of Section 21/22(1)(a)/
22(1)(b) of Companies Act, 1956, and the approval of the Central Government signified in writing
having been accorded thereto in the Department of Company Affairs.

धनोप निदेशक के तारीख 19 दिनांक द्वारा प्राप्त की
जाता है उक्त कम्पनी का नाम इस दिन परिलक्षित में बदला कर दिया गया है और यह
प्रमाण पत्र उक्त अधिनियम की धारा 23 (1) के अनुसरण में जारी किया जाता है।
Regional Director letter No NR/en/39431/85 dated 4.5.1994
the name of the said company is this day changed to... Kalpna Industries Limited.
Limited and this certificate is issued pursuant to section 23(1) of the said Act.

मेरे हस्ताक्षर से यह तारीख को दिया गया।
Given under my hand at Alcatta this day of 4.5.1994
(One thousand nine hundred Ninety Two).

... ..
कम्पनियों का रजिस्ट्रार
Asst Registrar of Companies
W.B.

* यहाँ पर कम्पनी का दृढ़ नाम लिखिए जो कि तददीनी से पूर्व था।

* Here give the name of the Company as existing prior to the change.

यहाँ पर अधिनियम (अधिनियमों) का नाम लिखिए जिनके अधीन कम्पनी का मूलतः रजिस्ट्रीकरण और निगमन किया गया था।

Here give the name of the Act(s) under which the Company was originally registered and incorporated.

जे. एस. सी. 7

J. S. C.-7



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

NO. 39431

In the Office of the Registrar of Companies West Bengal [Under the Companies Act, 1956 (1 of 1956)]

In the matter of Kalpana Plastics Limited 3, Portuguese Church Street, Calcutta - 700 001.

I hereby certify that Kalpana Plastics Limited, which was originally incorporated on 3rd day of September 1985 under the Companies Act, and under the name Kalpana Plastics Limited newing duly passed the necessary resolution in terms of section 21/22(1)(a)/22(1)(b) of Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto In the Department of Company Affairs.

Regional Director Company's Letter No. NCR/IN/39431/103/87 dated 29-12-1987 the name of the said company is this day changed to Kalpana Mercantiles Limited and this Certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at Calcutta this day of 1st January One thousand nine hundred Eighty Eight.

*Seal of
Registrar of Companies
West Bengal*

*(Sd/- K. K. DHAR)
Registrar of Companies
West Bengal*

★ Here give the name of the Company as existing prior to the change.

★ Here give the name of the Act(s) under which the Company was originally registered and incorporated.



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

NO. 39431

In the Office of the Registrar of Companies West Bengal [Under the Companies Act, 1956 (1 of 1956)]

In the matter of Kalpana Plastics Limited 3, Portuguese Church Street, Calcutta - 700 001.

I hereby certify that Kalpana Plastics Limited, which was originally incorporated on 3rd day of September 1985 under the Companies Act, and under the name Kalpana Plastics Private Limited having duly passed the necessary resolution in terms of section 31/2/4(b)/22(1)(b) of Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Department of Company Affairs.

Regional Director Letter No. Vide Company dated 11-9-1987 the name of the said company is this day changed to Kalpana Plastics Limited and this Certificate is issued pursuant to section 23(1) of the said Act.

Given under my hand at Calcutta this day of 11th November One thousand nine hundred Eighty Seven.

Seal of
Registrar of Companies
West Bengal

(Sd/- K. K. DHAR)
Registrar of Companies
West Bengal

* Here give the name of the Company as existing prior to the change.

* Here give the name of the Act(s) under which the Company was originally registered and incorporated.



सत्यमेव जयते

FORM I. R.

Certificate of Incorporation

NO. 39431 OF 1985

*I hereby Certify that KALPANA PLASTICS PRIVATE LIMITED
is this day incorporated under the Companies Act, 1956 (No. 1 of 1956)
and that the Company is limited.*

*Given under my hand at Calcutta this Third day of September
One thousand nine hundred and Eighty Five.*

Seal of Registrar
of Companies
West Bengal

(Sd/- K. K. DHAR)
Registrar of Companies
West Bengal

The Companies Act, 2013*

Company Limited by Shares

Memorandum of Association

of

KKALPANA INDUSTRIES (INDIA) LIMITED**

- I. The name of the Company is KKALPANA INDUSTRIES (INDIA) LIMITED**.
- II. The Registered Office of the company will be situated in the State of West Bengal.
- III. The objects for which the Company is established are:
 - A. MAIN OBJECTS TO BE PERSUED ON INCORPORATION ARE:
 1. To carry on the business of Manufacturers, Fabricators, Processors, Stockists, Importers, Exporters, Distributors, Moulders, Agents, Contractors, Whole-sellers, Retailers, Dealers and Stores of:
 - (a) Plastic, PVC, Synthetic raw materials and such other powder of all description and its products including Polystyrene, Nylon, Bakelite, Cellulose, Acetate High Impact Polystyrene, Polyvinyl Chloride Compound, U.F. Ute rate, Urea, Carbon black Polyprelene Styrene, Acrylo Nitrite (SAN), Poly carbonate (PC) Polyethylene fabrics, Plastisizers, Polymers, resin and articles of all description for industrial, Commercial, Agricultural and domestic purposes of composition of synthetics, plastic P.V.C and other such raw-materials and its products.
 - (b) Rubber and rubber products and moulding whether extruded, injected or pressed, plastic compound, rubber compound, colours, and dyes, organic and inorganic chemicals electrochemical, synthetic materials, petroleum, bye-products and their products for industrial, domestic and commercial purposes.
 2. To carry on business of manufacturers, processors, assemblers, traders, dealers, wholesalers, retailers, distributors, stockists, buyers, sellers, representatives, exporters, importers, agents, merchants in all kinds of imitation, jar goods, metallic yarns, laces, ribbons, borders, buttons, tapes, woven tapes, woven lavel, patches, motives, knitting fabrics, garment accessories, embroidery materials, dress materials, cotton mesh, elastics, fancy paper and cloth bronze power etc.
 - B. OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:
 1. To undertake and carry on and execute all kinds of financial, commercial, trading and other operations and in that the company shall not carry on Banking business as defined in the Banking Companies Act, 1949.

* Amended vide Special Resolution in the AGM dated 30th September, 2015.

** The name has been changed from Kalpena Industries Limited to Kkalpana Industries (India) Limited vide Fresh Certificate of Incorporation dated 09.03.2015

2. To buy, manufacture, repair, alter and exchange, let on hire, export, import and deal with all kinds of articles and things which may be required for the purpose of any of the business in this memorandum contained or commonly supplied or dealt on by persons or public bodies engaged in any such business or which may seem capable of being profitably dealt with in connection with any of the said business.
3. To carry on transport and any other business whether manufacturing, mining or otherwise, that may seem to the company capable of being carried in connection with the objects in this memorandum contained or calculated, directly or indirectly, to enhance its value of or render profitable, any of the Company's property or rights or which it may be advisable to undertake with a view to improving developing rendering valuable or turning to account, any property real or personal belonging to the company or in which the Company may be interested.
4. To purchase, take on lease or on royalty basis or otherwise acquire mines, mining rights and plots of land of any interest therein.
5. To search for, inspect, prospect, examine and explore, take on licence, lease, purchase or otherwise acquire any territories, lands, and places in India or elsewhere for the purpose of extracting, drawing, purifying, refining, smelting, manufacturing or otherwise producing and dealing in or quarrying any ores, metals or other minerals and substances or for the purpose of carrying on any of the business of the Company and to employ and equip expeditions, commissions, experts or other agents for any purpose connected with such business.
6. To introduce, buy or sell in the Union of India or elsewhere in the world as importers, merchants, manufacturers, agents, or otherwise any metals, minerals, mineral substances, chemicals, goods and materials, articles, or appliances and generally to purchase, sell, deal in the supply as manufacturers, distributors, merchants, agents, or otherwise all kinds of metals, minerals, mineral substances chemicals, goods products, appliances or things which can be advantageously dealt in by the Company to attain the foregoing objects and to carry on operations or business of any nature which the company from time to time may deem fit or expedient to carry on in connection with its main business at any time being conducted and which may seem calculated or capable of being conducted so as to directly or indirectly benefit the Company.
7. To undertake any business relating to the mining and working of minerals, the production and working of metals, and the production, manufacture and preparation of any other materials which may be useful for any business of the Company or any contracts undertaken by the Company and either for purpose only of such contracts or as an independent business.
8. To experiment and to incur expenses necessary for the purpose with a view to improve on the present method and process of working the several business which the company is authorized to carry on research for improving developing or effecting economy and greater efficiency in the process for the production, manufacture and working of or trading or dealing in the various substances, materials and articles and things or with any of the business for which the company is established.
9. To construct, hire, purchase or maintain a mill or mills, warehouses sheds, factories, houses, buildings, workshops, quarries, furnaces, foundries, refineries, godowns, roads, ways or other means of transport for the use and benefit of company or its employees or to let on rent.

10. To purchase, take on lease or in exchange, hire otherwise acquire and hold for any estate, or interest land, buildings, farms easement plants, stock-in-trade and any movable or immovable property of any kind necessary or convenient for the purpose of or in connection with the company's business.
11. To purchase or otherwise acquire or undertake all or any part of the business, property and transaction and liabilities of any person or company carrying on any business which this company is authorized to carry on or proposed of property suitable for purpose of this company.
12. To amalgamate, enter into partnership or into any arrangements for sharing profits, union of interests or co-operation, joint venture of reciprocal concession or for limiting competition with any person, firm or body corporate whether in India or outside carrying on or engaged in or about to carry on or engage in any business or transaction which the company is authorized to carry on or engaged in or which is applicable of being conducted so as directly or indirectly to benefit the Company and further to enter into any arrangement or contract with any person association or body corporate whether in India or outside for technical collaboration, technical knowledge or for other purposes that may seem calculated beneficial and conducive to the objects of any company.
13. To amalgamate with any company whose objects and business are or include objects and business similar to those of this company whether by sale or purchase (for or partly paid shares or otherwise) of all the shares and stocks of any such other company or in any other manner.
14. To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty share or profits or otherwise mortgage, grant licences, easements, options and other rights in respect of and in any other manner, deal with or dispose of the undertaking of the Company or any part thereof or all or any of the assets and property for the time being (fully or partly paid), debentures, debenture stock, or other interests in or securities of any company having objects altogether or in part similar to those of this company.
15. To advance and lend money on assets of all kinds upon such terms as may be arranged provided that the company shall not carry on any Banking Business as defined by the Banking Companies Act 1949.
16. To borrow or raise or secure the payment of money by the issue of debentures stock, bonds, obligations, deposit notes and securities of all kinds and to frame constitute and secure the same as may seem expedient with full power to make the same transferable by delivery or by instruments of transfer or otherwise, and other perpetual or terminable and either redeemable or otherwise and to charges or secure the same by trust deed or otherwise on the undertaking or the company or upon any specific property and rights present or future of the company(including its uncalled and unissued capital if thought fit) or otherwise howsoever and collaterally of further to secure any securities of the company by a trust deed or other assurance, provided that the company shall not carry on any Banking business as defined by the Banking Companies Act, 1949.
17. To carry on all kinds of promotion business and in particular to form, constitute, float, . lend money, to assist and control any companies, association or undertaking whatsoever.
18. To facilitate, promote, assist and encourage the creation, issue or conversion of debentures, debenture stock, shares, obligations, bonds and securities in any other company.

19. To lease, let exchange the lands, house buildings hereditaments and other properties of the company and to sell or otherwise dispose of the same either in consideration of cash payment in full or any installment of the price or value of otherwise.
20. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, and bill of lading warrants, debentures and other negotiable or transferable instruments.
21. To pay all preliminary expenses of any kind and incidental to the formation and incorporation of this company out of the funds of this company.
22. To subscribe to or otherwise and benevolent, charitable, national or other institutions, or subjects or a public charter and to make donations to such person and in such manner as may seem expedient and permissible under the companies Act, 2013 or amendment thereof.
23. To borrow any money or moneys either in the security of any property movable or immovable belonging to the company or otherwise.
24. To take part in the formation, supervision or control of the business or operation of any company or undertaking and for that purpose to appoint, remunerate directors, accountants and other experts or agents.
25. To let out on hire all or any of the movable and immovable property including every description of apparatus or appliances of the company.
26. To distribute any of the property of the Company in specie or in kind among the members as may be permissible under the Companies Act, 2013.
27. To invest and deal with the money of the company not immediately required in such manner as the company may deem fit.
28. To communicate with the Chambers of Commerce and other mercantile and public bodies throughout the world consult and promote measure for the protection of the trade, industry and persons engaged therein.
29. To supply for, purchase or otherwise acquire, detect and renew in any part of the world patents, licences, concession, patents, rights, trade marks, designs, and the like conferring any exclusive or non exclusive or limited right to their use and secret or other information regarding any invention or research which may seem capable of being used for any of the purpose of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, develop or grant licence in respect thereof otherwise turn to account the rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, rights or inventions.
30. To do all or any of the above things in any part of the world as principals, agents, contractors, trustees, or otherwise by or through trustees, attorneys, against or otherwise and either alone or in conjunction with others and to establish office, agencies or branches for carrying any of the aforesaid objects in India or elsewhere in the world and to undertake the Management of any company or companies having objects altogether or in part similar to those of the company.
31. To appoint and engage the Sole-Agents, Agents, Dealers, Sub-Agents, Officers, Managers, Secretaries, Chief Agents, Apprentices for sale, distribution, purchase, demonstration of the various products, materials, parts and manufactured, dealt in by the company or required by the Company subject to the provisions of the Act.

IV. The liability of the members is limited.

V. The Authorized Share Capital of the Company is INR 206,000,000/- (Indian Rupees Twenty Crores Sixty Lakhs only) divided into 103,000,000 (Ten Crore Thirty Lakhs only) Equity Shares of Indian Rupees 2/- (Rupees Two only) each with the rights, privileges and conditions attaching thereto as are provided by regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential Rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

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

Names, Addresses, Descriptions and Occupation of Subscribers	Number of Shares taken by each Subscriber	Name, Address Occupation and Father's Name of Witness
<div>1. Mr. D.C Surana, (Dalam Chand Surana) S/o. Late Fateh Chand Surana 3, Portuguese Church Street, Calcutta- 700 001, Business</div> <div>2. Mr. A.K. Baid (Ashok Kumar Baid) S/o. Sri Champalal Baid 3, Portuguese Church Street, Calcutta-700 001, Business.</div>	<div>100 (One Hundred)</div> <div>100 (One Hundred)</div>	<div>Witness to all the Signatories :</div> <div>KAMAL SINGH BHANSALI S/o. Sri Chainroop Bhansali, Chartered Accountant, 15, India Exchange Place, Calcutta- 700 001</div>
TOTAL SHARES TAKEN	200 (Two Hundred)	

Calcutta, dated 13th day of August, 1985.

(THE COMPANIES ACT, 2013)

PUBLIC COMPANY LIMITED BY SHARES
(Incorporated Under The Companies Act, 1956)

Articles of Association

OF

KKALPANA INDUSTRIES (INDIA) LIMITED*

Adopted by Member's Special Resolution passed at the 30th Annual General Meeting of the Company held on 30th September, 2015 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

TABLE F NOT TO APPLY

1.

(1)

The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.
- Table F not to apply
- (2)

The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.
- Company to be governed by these Articles.

INTERPRETATION

2.

(1)

In the interpretation of these Articles, unless repugnant to the subject or context:
- Interpretation Clause
- "The Company" or "This Company" means **"KKALPANA INDUSTRIES (INDIA) LIMITED**
- The Company or This Company

*The name has been changed from Kalpena Industries Limited to Kkalpana Industries (India) Limited vide Fresh certificate of Incorporation dated 09.03.2015.

The Act	"The Act" and any reference to any section or provision thereof respectively means and includes the Companies Act, 2013 including any statutory amendments thereto, and the Rules made thereunder, and notified from time to time.
Annual General Meeting	"Annual General Meeting" means a general meeting of the Members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.
Auditors	"Auditors" means and include those persons appointed as such for the time being by the Company or its Board.
Board	"Board" or "Board of Directors" or "the Board" means the Board of Directors for the time being of the Company.
Board Meeting	"Board Meeting" means 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.
Capital	"Capital" means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.
Chief Executive Officer	"Chief Executive Officer" means an officer of a company, who has been designated as such by it.
Chief Financial Officer	"Chief Financial Officer" means a person appointed as the Chief Financial Officer of the company.
Companies Act, 1956	"Companies Act, 1956" shall mean the Companies Act, 1956. as may be in force for the time being
Debenture	"Debenture" includes debenture stock, bonds or any other instrument of the company evidencing a debt, whether constituting a charge on the assets of the company or not.
Dividend	"Dividend" includes interim dividend.
Director	"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
Extraordinary General Meeting	"Extraordinary General Meeting" , means an extraordinary general meeting of the Members duly called and constituted and any adjourned General Meeting thereof.
Key managerial personnel	"Key managerial personnel" shall have the meaning assigned thereto by Section 2(51) of the Act.
Member	"Member" means: (i) the subscriber to the memorandum of the company; (ii) every other person who agrees in writing to become

(3)

a member of the company and whose name is entered in the register of members of the company;

- (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository.

“Meeting” or “General Meeting” means a meeting of members. Meeting

“Month” means a calendar month. Month

“Office” means the registered office for the time being of the Company. Office

A resolution shall be an ordinary resolution if the notice required under the Act has been duly given and it is required to be passed by the votes cast, whether on a show of hands, or electronically or on a poll, as the case may be, in favour of the resolution, including the casting vote, if any, of the Chairman, by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy or by postal ballot, exceed the votes, if any, cast against the resolution by members, so entitled and voting. 'Ordinary Resolution'

“paid-up share capital” or “share capital paid-up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called. Paid-up

“Persons” includes corporations and firms as well as individuals. Persons

“Postal Ballot” shall means voting by post or through any electronic mode. Postal Ballot

“Register of Members” means the Register of Members to be kept pursuant to the Act. Register of Members

“Registrar” means the Registrar of Companies from time to time having jurisdiction over the Company. Registrar

“Secretary” means a Company Secretary within the meaning of clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 who is appointed to perform the functions of a company secretary under the Act. 'Secretary'

'Seal'	"Seal" means the Common Seal for the time being of the Company.
'Share'	"Share" means share in the share capital of the Company and includes stock.
'Small Shareholder'	"Small Shareholder" means a shareholder holding shares of the nominal value of twenty thousand rupees or less.
'Special Resolution'	<p>A resolution shall be a special resolution when:</p> <ul style="list-style-type: none">(a) the intention to propose the resolution as a special resolution has been duly specified in the notice calling the general meeting or other intimation given to the members of the resolution;(b) the notice required under this Act has been duly given; and(c) the votes cast in favour of the resolution, whether on a show of hands, or electronically or on a poll, as the case may be, by members who, being entitled so to do, vote in person or by proxy or by postal ballot, are required to be not less than three times the number of the votes, if any, cast against the resolution by members so entitled and voting.
'Written' and 'In Writing'	"Written" and "In Writing" include printing, lithography, computer modes and other modes of representing or reproducing words in a visible form.
'Year' and 'Financial Year'	"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.
'Singular Numbers'	Words importing the singular number include, where the context admits or requires the plural number and vice versa.
'Gender'	Words importing the masculine gender also include the feminine gender.
Rules made under the Act	Rules made under the Act means the Rules notified under the Companies Act, 2013 and any modification or reenactment thereof.
	(2) The marginal notes used in these Articles shall not affect the construction or meaning of the subject.
	(3) Save as aforesaid, words or expressions, defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The Authorised Share Capital of the company shall be the capital as specified in Clause V of the Memorandum of Association, with power to increase and reduce the Share Capital of the company.

Amount of Capital

The Paid-up Share Capital shall be at all times a minimum of Rs. 500,000 (Rupees Five Hundred Thousand only) as required under the Act

Power to issue Differential voting Rights: 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

And may attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles of Association.

4. The Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares.

Increase of Capital
by the Company
and how carried in
to effect

Subject to Article 3, 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.

Such increase to be of such aggregate amount and to be divided into such shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine.

Issue of shares for consideration other than cash:

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 or about the formation of the Company or the 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/

(6)

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

Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 64 of the Act.

Acceptance of shares:

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 Shareholders shall for the purposes of these Articles be a Shareholder.

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 Shareholders 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.

All equity shares
ranking pari passu

5. Except in so far as otherwise provided in the conditions of issue of shares by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to provisions herein contained, with reference to the payment of calls and installments, forfeiture, Lien, surrender, transfer and transmission, voting and otherwise.

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

PREFERENCE SHARES

'Types of Preference
shares

6. **a. Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of

(7)

such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

b. Convertible Redeemable Preference Shares

The Company, subject to the applicable provisions of the Act the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such Securities on such terms as they may deem fit.

7. On the issue of Preference Shares under the provisions of Article 6 above, the following provisions shall take effect :

Provision applicable
on the issue of
redeemable
Preference shares

- (a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) no such shares shall be redeemed unless they are fully paid;
- (c) Where any such shares are proposed to be redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, excepts as provided in Section 55 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.
- (d) The redemption of preference shares under this Article by the Company shall not be taken as reduction of Share Capital
- (e) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up un-issued shares of the Company to be issued to the Shareholders as fully paid bonus shares; and
- (f) Whenever the Company shall redeem any redeemable preference shares or cumulative convertible redeemable preference shares, the Company shall, within 30 (thirty)

(8)

days thereafter, give notice thereof to the Registrar of Companies as required by Section 64 of the Act.

Reduction of Capital

8. The Company may (subject to the Provisions of Section 52, 55, and 66 of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Securities Premium Account in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if they were omitted.

Alteration of Capital

9. Subject to the provisions of Section 61 of the Act, the Company in General Meeting may from time to time :
- a. consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;
 - b. convert all or any of its fully Paid up shares into stock and reconvert that stock into fully Paid up shares of any denomination;
 - c. sub-divide its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others.
 - d. cancel shares which, at the date of the passing of the resolution in that behalf, 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.

Modifications of rights

10. Whenever the Capital is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Companies Act, 1956, 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 such agreement is consent in writing by holders of at least three-

fourths of nominal value of the issued shares of the class or is confirmed by a Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of at least three-fourths of those shares, and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if it were omitted.

11. The Company shall have power, subject to and in accordance with all the applicable provisions of the Act and the rules made thereunder, to purchase any of its own fully paid shares or other specified securities whether or not they are redeemable and may make a payment out of its free reserves or securities premium account of the Company or proceeds of any shares or other specified securities provided that no buy back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities or from such other sources as may be permitted by Law on such terms, conditions and in such manner as may be prescribed by the Law from time to time in respect of such purchase.

Buy back of
Securities by the
Company

SHARES AND SHARE CERTIFICATES

12. The Company shall cause to be kept the following Registers in accordance with Sections 88 of the Act.
 - i. A Register of Shareholders indicating separately for each class of Equity Shares and preference shares held by each Shareholder residing in or outside India;
 - ii. A register of Debenture holders; and
 - iii. A register of any other holders of Securities

Register of
Members

The Company shall 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, Debenture holders or holders of other Securities or beneficial owners resident in that country.

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

Shares to be numbered progressively and no share to be subdivided

13. The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Further issue of capital

14. (1) Where at the time the Company propose to increase the subscribed capital of the Company by issue of further shares, then:
- a. Such further shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid-up on those shares at the date.
 - b. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer and the offer, if not accepted, shall be deemed to have been declined.
 - c. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right.
 - d. After the expiry of the time specified in the aforesaid notice 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 off them in such manner which is not disadvantageous to the shareholders and the company
- (2) Such further shares shall be offered to employees under a scheme of employees' stock options, as per Article no. 52
- (3) Notwithstanding anything contained in the sub-clause (1) and (2) above, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub clause (1) and / or sub clause (2) hereof) 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, if a special resolution to that effect is passed by the company in general meeting.

The notice referred to in article (1) (b) 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.

- (4) Nothing in sub-clause (c) of (1) hereof shall be deemed;
- a. To extend the time within which the offer should be accepted; or
 - b. To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (5) 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 by the company:
- i. To convert such debentures or loans into shares in the company; or
 - ii. To subscribe for shares in the company.

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

1. 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 rules, if any, made by that government in this behalf; and
 2. 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.
15. Subject to the provisions of section 42 and 62 of the act and these Articles, the shares in the capital of the company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at discount (subject

Shares at the disposal of the Directors'

to the compliance with the provision of section 54 of the act) and 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 persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares 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 which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any persons without the sanction of the company in the general meeting.

The power also to
company in general
meeting to authorize
issue of shares

16. In addition to and without derogating from the powers for the purpose conferred on the Board under Articles 14 and 15, the Company in General Meeting may, subject to the provisions of Section 42 and 62 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons whether (members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of the Act) at a premium or at a discount (if permitted under the Act) as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company, either (subject to compliance with the provisions of the Act) at a premium or at par or at a discount (if permitted under the Act) as such General Meeting shall determine and with full power to give any person (whether a member or not) the option being exercisable at such times and for such consideration as may be directed by such General Meeting of the Company and the General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.

Acceptance of
shares

17. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts shares and whose name is on the Register shall for the purpose of these Articles, be a member.

Deposit and call to
be a debt payable
immediately

18. The money (if any) which the Board shall, on the allotment of any share 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 shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

19. Every member, 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 Company's regulations, require or fix for the payment thereof. Liability of Members
20. a. Every member or allottee of shares 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 of such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide and within one month of the receipt of application of registration of transfer, transmission, subdivision, consolidation or renewal of any of its shares as the case may be or within such time as maybe prescribed from time to time. Every certificates of shares shall be under the seal of the company and shall specify the no. and distinctive nos. of shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the directors may prescribe or approve, provided that 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 one of several joint holders shall be sufficient delivery to all such holders. Limitation of time for issue of certificates
- b. 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. Issue of share certificates

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 Shareholders against the name of the Person, to whom it has been issued, indicating the date of issue.

Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical or electrical 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.

Issue of New
Certificate in place
of one defaced, lost
or destroyed etc.

21. a. 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the Company deem 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 article shall be issued without payment of fees if the directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the directors shall prescribe, provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced, worn out.

- b. No certificate or any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or where the cages on the reverse for recording transfers have been fully utilised, unless the

certificate in lieu of which it is issued is surrendered to the Company.

- c. When a new share certificate has been issued in pursuance of clause (b) of this Article, it shall state on the face of it and against the stub or counterfoil the effect that it is issued in lieu of Share Certificate No... sub-divided/ replaced/ on consolidation of shares.
- d. If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence an indemnity as to payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board may think fit.
- e. When a new share certificate has been issued in pursuance of clause (d) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is duplicate issued in lieu of share certificate No: The word 'Duplicate' shall be stamped or punched in bold letters across the face of the share certificate.
- f. Where a new share certificate has been issued in pursuance of Clause (b) or clause (d) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes as indicated in the Register of Members by suitable cross reference in the 'Remarks' column.
- g. All blank forms to be issued 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 and engravings 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 appoint for the purpose, and the Secretary or the other person as aforesaid shall be responsible for rendering an account of these forms to the Board.
- h. The Managing Director of the Company for the time being or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance,

preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-Article (g).

- i. All books referred to in sub-Article (h) shall be preserved in good order permanently.

The first named joint holder deemed to be sole holder

- 22. 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 notice and all or any earlier matter connected with the Company, except voting at meetings, 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 for all incidents thereof according to the Company's regulations.

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

- 23. Except as ordered by a Court of competent jurisdiction, or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

UNDERWRITING AND BROKERAGE

Commission may be paid

- 24. Subject to the provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely on conditionally) for any shares in or debentures of the Company, but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued, and in the case of debentures, two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

Brokerage

- 25. The Company may pay a reasonable sum for brokerage, on any issue of shares or Debentures.

CALLS

26. (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time and subject to the terms on which any shares 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 as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments.
- (b) That option or right to call of shares shall not be given to any person except with the sanction of the issuer in general meetings.
27. Fifteen days notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
28. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.
29. A call may be revoked or postponed at the discretion of the Board.
30. The option or right to call of shares not be given to any person except with the sanction of the company in general meeting.
31. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
32. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a member of grace and favour.
33. If any member fails to pay any call due from him on the day appointed for, payment thereof or any such extension thereof as aforesaid, he shall be liable to pay interest of the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
- Directors may make calls
- Notice of calls
- Calls to date from resolution
- Calls may be revoked or postponed
- Option or right to call
- Joint and severally
- Directors may extend time
- Calls to carry interest

Sums deemed to be calls

34. Any sum, which may by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

Proof on trial of suit for money due on shares

35. On the trial or hearing of any action or suit brought by the Company against any member or his 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 member, in respect of whose shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered; is alleged to have become due on the shares in respect of such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the member or his representatives used in pursuance of these Articles and that 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 duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture

36. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, 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.

CALLS IN ADVANCE

Calls in advance

37. The directors may, if they think fit, subject to the provisions of section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance,

or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company may pay interest at such rate, as the member paying such sum in advance and the directors agree upon provided that 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.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the company.

LIEN

38. The Company shall have a first and paramount lien upon:

Company to have
lien on shares

- a. all the shares/debentures, other than fully paid-up shares/debentures, registered in the name of each member (whether solely or jointly with others); and
- b. upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures

And no equitable interest in any shares shall be created except upon the footing, and upon the condition that this Article will have full effect and any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares interest and premium payable in respect of such Debentures

Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares/debentures.

The directors may at any time declare any shares/debentures wholly or in part to be exempt from the provision of this clause.

39. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his

As to enforcing lien
by sale

representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of
proceeds of sale

40. The net proceeds of any such 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 persons entitled to the shares at the date of the sale.

FORFEITURE OF SHARE

If call or installment
not paid notice may
be given

41. If any member fails to pay any call or installment 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 notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such nonpayment.

Form of notice

42. The notice shall name a day (not being less Than fourteen days from the date of the 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 installment is payable will be liable to be forfeited.

If notice not complied
with shares may be
forfeited

43. 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. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Notice of forfeiture
to a member

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

- | | |
|--|--|
| 45. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose off the same in such manner as think fit. | Forfeited share to become property of the company |
| 46. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit. | Power to annul forfeiture |
| 47. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall notwithstanding, remain liable to pay, and shall forthwith pay to the Company, all calls or installment, interest and expenses, owing in respect of such share at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party 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. | Liability on forfeiture |
| 48. The forfeiture of a share involve extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the share and all other rights, incidental to the share except only such of those rights as by these Articles are expressly saved. | Effect of forfeiture |
| 49. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have 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 shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares; and the person to whom any such share is sold shall be registered as the member in respect of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition. | Evidence of forfeiture |
| 50. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors, shall | Cancellation of share certificate in respect of forfeited shares |

be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons, entitled thereto.

ADRs/GDRs

ADRs/GDRs

51. If so authorized by a special resolution passed in the general meeting, the Company shall, subject to the provisions of the Act, rules made thereunder and compliance with all other applicable laws, rules and regulations as may be applicable from time to time, have power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment.

Such terms may include, at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board or otherwise. However, all such terms and conditions including restrictions shall be subject to the applicable statutory regulations as may be in force from time to time.

EMPLOYEES STOCK OPTIONS

Employees Stock Options

52. Subject to the provisions of section 62 of the Act and other applicable law/regulations, the Company may issue options to the whole-time directors, officers, or employees of the Company, its subsidiaries or its parent, which would give such directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a predetermined price, in terms of Company's employee stock options schemes or employees share purchase schemes or both. However, Independent Directors of the Company shall not be entitled to stock options.

SHARE WARRANTS

Power to issue share warrants

53. The Company may issue share warrants subject to and in accordance with the provisions of Act, if such issue is permitted under the Act or rules made thereunder.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers

54. The Company shall keep a book to be called the "Register of Transfers", and therein shall be fairly and directly entered particulars of every transfer or transmission of any share.

Instruments of transfer

55. The instrument of transfer shall be in writing and in the prescribed form, and all provision of Section 56 of the Act and applicable

rules made under the Act, including any statutory modification thereof for the time being in force, shall be duly complied with in respect of all transfer of shares and registration thereof.

56. Every such instrument of transfer shall be executed both by transferor and the transferee or on behalf of both the transferor and transferee 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. The Board shall not issue or register a transfer of any share in favour of a minor (except as permitted under the Act).
- To be executed by transferor and transferee
57. The Board shall have power on giving seven days' previous notice by advertisement in some newspapers (as specified in the applicable rule made under the Act) circulating in the district in which the Office of the Company is situated to close the transfer books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in aggregate forty-five days in each year, as it may deem expedient.
- Transfer books when closed
58. Subject to the provisions of Section 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 whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member in or debentures of the Company.
- Directors may refuse to register transfer
- The Company shall within thirty days 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 notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.
- Provided that the 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.
59. Every holder of shares in, or debentures of the Company may at any time nominate, in the manner prescribed under the Act, a person to whom his shares in or debentures of the Company shall vest in the event of death of such holder.
- Nomination

Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together

nominate, in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, a person to whom all the rights in the shares or debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or debentures 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 shares in, or debentures of the Company, the nominee shall, on the death of the shareholders or holder of debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.

Where the nominee is a minor, it shall be lawful for the holder of the shares or holder of debentures to make the nomination to appoint, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, any person to become entitled to the shares in or debentures of the Company, in the event of his death, during the minority.

Transmission in the
name of nominee

60. Any person who becomes a nominee by virtue of the provision of the above Article, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either :

- a) to be registered himself as holder of the shares or debentures, as the case may be; or
- b) to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee, so becoming entitled, elects himself to be registered as holder of the shares or debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder and the certificate(s) of shares or debentures, as the case may be, held by the deceased in the

Company.

Subject to the provisions of Section 56 of the Act and these Articles, the Board may register the relevant shares or debentures in the name of the nominee of the transferee as if the death of the registered holder of the shares or debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.

A nominee, on becoming entitled to shares or debentures by reason of the death of the holder or joint holders, shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the share or debenture, except that he shall not before being registered as holder of such shares or debentures, be entitled in respect of them to exercise any right conferred on a member or debenture holder in relation to meetings of the Company.

The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonus, interest or other moneys payable or rights accrued or accruing in respect of the relevant shares or debentures, until the requirements of the notice have been complied with.

61. No share shall in any circumstances be transferred to any insolvent or persons of unsound mind.
62. Subject to the provisions of articles 59 and 60, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under this article of his title, as the holder of the shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to 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. This Article is referred to in these Articles as the

No transfer to insolvent etc.

Registration of persons entitled to shares otherwise than by transfer (The transmission article)

Transmission Article.

Person entitled may receive dividend without being registered as a member

63. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receives and may give discharge for any dividends or other moneys payable in respect of the share.

Transfer to be presented with evidence of title

64. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company.

Conditions of registration of transfer

65. For the purpose of 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 (same as provided in Section 56 of the Act) a properly stamped and executed instrument of transfer.

Fee on transfer or transmission

66. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Company not liable for disregard of a notice in prohibiting re-registration of transfer

67. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effort to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred 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 of Directors shall so think fit.

DEMATERIALISATION OF SECURITIES

68. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles. Definitions
1. For the purpose of this Article :
- ‘Beneficial Owner’ means a person or persons whose name is recorded as such with a depository’;
- ‘SEBI’ means the Securities & Exchange Board of India; established under Section 3 of the Securities & Exchange Board of India Act, 1992; and
- ‘Depository’ means a company formed and registered under the Act and which has been granted a certificate of registration to act as depository under Securities & Exchange Board of India Act, 1992; and wherein the securities of the Company are dealt with in accordance With the provisions of the Depositories Act, 1996.
2. The Company shall be entitled to dematerialize securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996. Dematerialization of Securities
3. Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates for the Securities. Options for investors
- If a person opts to hold his Securities with the 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 allottees as the beneficial owners of the Securities.
4. All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by on behalf of the beneficial owners. Securities in depositories to be in fungible form
5. (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed Rights of Depositories and beneficial owners

to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the beneficial owner.

- (b) Save as otherwise provided in (a) 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.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner of securities in the record of the depository shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities which are held by a depository and shall be deemed to be a Member of the Company.

Service of Documents

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

Transfer of securities

7. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

Allotment of securities dealt with in a depository

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

Distinctive number of securities held in a Depository

9. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

Register and index of Beneficial Owners

10. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and security holders for the purposes of these Articles.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

69. 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 Board to every member at his request within seven days of the request on payment of Rs.50.
- Copies of Memorandum and Articles of Association sent by the company

BORROWING POWERS

70. The Board may, from time to time, at its discretion subject to the provisions of Section 179 of the Act, 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 by a special resolution borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) 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.
- Power to borrow
71. The Board may raise or secure the repayment 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 security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being in accordance with the provisions of the Act and the rules made thereunder.
- Conditions on which money may be borrowed
72. Subject to the provision of the Act, any debentures, debenture-stock, bonds or other securities may be issued at a discount, if permitted under the Act, and otherwise debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Debentures, debenture-stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with sanction of the Company by a special resolution in general meeting.
- Issued at discounts etc. with special privileges
73. Save as provided in Section 56 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the
- Instrument of transfer

certificate or certificates of the debentures.

Notice of refusal to
register members

74. If the Board refuses to register the transfer of any debentures, the Company shall, within thirty days from the date on which the instrument of transfer was lodged with the company, send to the transferee and to the transferor the notice of such refusal.

Register of charges
etc. to be kept

75. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 71 and 77 and 79 to 85, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

Reegister and index
of debenture holders

76. The Company shall, if at any time it issues debentures, keep Register and Index of Debenture holders in accordance with Section 88 of the Act. Subject to the provision of the Act, the Company shall have the power to keep in any State or Country outside India a Branch Register of debenture-stock, resident in that State or Country.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Shares may be
converted to stock

77. The Company in general meeting may convert any fully 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 interest, in the same manner and subject to the same regulations as, and subject to which the 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 at any time re-convert any stock into paid-up shares of any denomination.

Rights of stock
Holders

78. The holders of stock shall, according to the amount of stock held by them have the same rights, privileges and advantages as regards dividends and voting at the 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 of winding-up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

ANNUAL GENERAL MEETING OF MEMBERS

79. The company shall in each year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year. All general meetings other than Annual General Meeting shall be Extraordinary General Meetings.

Annual General
Meeting
Summary

The first Annual General Meeting shall be held within nine months from the date of closing of the first financial year of the company and thereafter the Annual General Meetings shall be held within six months from the date of closing of the financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

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

Venue, Day and Time for holding Annual General meeting:

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 registered office of the company or at some other place within the city in which the registered 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.

Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any general meeting which he attends on any part of the business, concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report (if not already attached in the Audited statement of Accounts) the proxy Register with proxies and the Register of Directors' shareholdings of which latter Register shall remain open and accessible during the continuance of the meeting.

REQUISITION OF EXTRAORDINARY GENERAL MEETING

80. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any

Extraordinary General
Meeting

member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.

Regulation of the
Members to state
objects of meeting

81. Any valid requisition so made by members 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 registered office provided that such requisition may consist of several documents in file form each signed by one or more requisitionists.

On receipt of
requisitions Directors
to call meeting and in
default requisitionists
may do so

82. Upon the receipt of any such 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 registered 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 may themselves call and held the meeting within 3 (three) months from the date of the delivery of the requisition as aforesaid.

Meeting called by
Requisitionists

83. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner in which meetings are called and held by the Board.

NOTICE OF GENERAL MEETINGS

Twenty one days
notice of meeting to
be given

84. **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, specifying the date, day, place and hour of meeting, and shall contain a statement of the business to be transacted thereat in the manner prescribed by the Act. Provided that with the consent of members in writing or by electronic mode, holding not less than 95 percent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting, a general meeting may be convened after giving a shorter notice.

The notice of every meeting shall be given to:

- a) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,

- b) Auditor or Auditors of the Company, and
- c) all Directors.

Contents and manner of service of notice and persons on whom it is to be served: As per article 193.

Special Business:

In the case of an Annual General Meeting, if any business other than

- i. the consideration of the financial statements and the Reports of the Board of Directors and Auditors
- ii. the declaration of dividend,
- iii. the appointment of Directors in place of those retiring
- iv. the appointment of and fixing of remuneration of the Auditors,

is proposed to be transacted then in that event there shall be annexed to the notice of the meeting a statement setting out all materials facts concerning each such item of business including, in particular, the nature of concern or interest, financial or otherwise, if any, in respect of each items of;

- (i) every director and the manager, if any;
- (ii) every other key managerial personnel; and
- (iii) relatives of the persons mentioned in sub-clauses (i) and (ii);

Where any such item of special business relates to or affects any other Company, the extent of shareholding interest in other company of every promoter, director, manager, if any, and of every other key managerial personnel of the Company shall also be set out in the Statement if the extent of such shareholding interest is not less than two percent of the paid-up share capital of that other company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

Resolution requiring Special Notice:

With regard to the 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.

Omissions to given notice and to invalidate a resolution passed

85. The accidental omission to give any such notice as aforesaid to any of the members, or the non receipt thereof, shall not invalidate the holding of the meeting or any resolution passed at any such meeting.

Meeting not to Transact business not mentioned in notice

86. No general meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.

Quorum of General Meeting

87. The quorum for a general meeting shall be such number of members as specified in Section 103 of the Act.

Representation of body corporate

88. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Act.

If quorum not present meeting to be dissolved or adjourned

89. If, at the expiration of half-an-hour from the time appointed for holding a meeting of the Company, the quorum is not present, the meeting, if convened by or upon the requisition of members shall stand cancelled, but in any other case the meeting shall stand adjourned to the same day in the next week at the same time and place, or to such other day and at such other time and place as the Board may determine, and if at such adjourned meeting the quorum is not present at the expiration of half-an-hour from the time appointed for holding the meeting, the members present shall be the quorum and may transact the business for which the meeting was called.

In case of an adjourned meeting or of a change of day, time or place of meeting as stated above, the Company shall give not less than three days notice to the members either individually or by publishing an advertisement in the newspapers (one in English and one in vernacular language) which is in circulation at the place where the registered office of the Company is situated.

Chairman of general meeting

90. The Chairman (if any) of the Board shall be entitled to take the chair at every general meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting, or if he is unable or unwilling to take the Chair, then the directors present may choose one of their member to be the Chairman of the meeting. If no director is present or directors present decline to take the chair, then the members present shall elect one of their members to be Chairman of the meeting.

91. No business shall be discussed at any General Meeting except the election of a Chairman, while the chair is vacant. No business without chairman
92. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held, 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. Chairman with consent may adjourn meeting
93. At any general meeting a resolution put to vote at the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by members having not less than one-tenth of the total voting power or holding shares on which an aggregate sum of not less than five lakh rupees or such higher amount as may be prescribed in the Act has been paid-up, or by the Chairman of the meeting, and unless a poll is demanded, declaration by the Chairman that a resolution has on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against the resolution. Questions at general meeting decided
94. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member. Chairman's casting vote
95. If a poll is demanded as aforesaid, the same shall, subject to Article 93 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the registered office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or person who made the demand. Poll if be taken if Demanded
96. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to Scrutinizers at poll

remove a Scrutinizer from office and fill vacancies in the office of Scrutinizer from such removal or from any other cause.

In what case poll taken without adjournment

97. Any poll duly demanded on the election of Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

Demand of poll not to prevent transaction of other business

98. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

VOTE OF MEMBERS

Voting by members

99. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
- (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

Voting through electronic means

A member may exercise his vote at a meeting by electronic means (facility of e-voting shall be provided by the company) in accordance with section 108 of the Act and shall vote only once.

Members in arrears not to vote

No member shall be entitled to vote either personally or by proxy, at any general meeting or meeting of a class of shareholders, either upon a show of hands or by electronic means or upon a poll 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, and has exercised any right of lien.

Number of vote which a person entitled

100. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every member not disqualified by the last preceding Article, shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company.

Provided, however, if any preference shareholder be present at any meeting of the Company, save as provided in Section 47(2) of the Act, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

101. On a poll taken at meeting of the Company, a member 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 used or may abstain from voting.
102. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy may vote whether on a show of hands or by electronic means or on a poll, by his committee or other legal guardian; and any such committee or guardian may vote by proxy, if any member be a minor, the vote in respect of his share or shares shall be by his guardian, or any of his, guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.
103. If there be joint holders of any shares, anyone of such person may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, as if he were solely entitled thereto to vote on his behalf and the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint-holders thereof.
104. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.
105. Any person entitled under Article 63, to transfer any share 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

Casting on votes by a member entitled more than one vote

How members non composmentia and minor may vote

Vote of joint holders

Voting in person or by proxy

Votes in respect of shares of deceased and insolvent members

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 Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment of proxy

106. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.

Proxy either for specified meeting or a period

107. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

Vote by proxy

108. A member present by proxy shall be entitled to vote only on a poll.

Deposit of instrument of appointment

109. 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 registered office not later than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

Form of proxy

110. Every instrument of proxy whether for a specified meeting or otherwise shall be in the forms set out in the Companies (Management and Administration) Rules, 2014.

Validity of votes given by proxy notwithstanding death of member

111. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or 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 or insanity, revocation or transfer shall have been received at the office before the meeting.

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

Time for objection of votes

113. Notwithstanding anything contained in the foregoing, the Company shall transact such business, as may be specified by the Central Government from time to time, through the means of postal ballot. In case of resolutions to be passed by postal ballot, no meeting need to be held at a specified time and space requiring physical presence of members to form a quorum.

Passing of resolution by postal ballot

Where a resolution is proposed to be passed by postal ballot the Company shall, in addition to the requirements of giving requisite clear days notice, send to all the members the following:

- i) Draft resolution and relevant explanatory statement clearly explaining the reasons thereof and other particulars as may be required.
- ii) Postal ballot for giving assent or dissent, in writing by members; and
- iii) Postage prepaid envelope (by Registered Post) for communicating assents or dissents on the postal ballot to the Company with a request to the members to send their communications within 30 days from the date of dispatch of Notice.

The Company shall also follow such procedure, for conducting vote by postal ballot and for ascertaining the assent or dissent, as may be prescribed by Section 110 of the Act and under the Companies (Management and Administration) Rules, 2014 as amended time to time.

114. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

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

115. (1) The Company shall cause minutes of all proceedings of every general meeting and every resolution passed by postal ballot to be kept by making entries thereof within thirty days of the conclusion of every such meeting concerned, or

Meetings of General Meeting and inspection thereof by members

passing of resolution by postal ballot in books kept for that purpose with their pages consecutively numbered.

- (2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or non availability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meetings.
- (6) 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 :
 - (a) is or could reasonably be regarded as defamatory of any person; or
 - (b) is irrelevant or immaterial to the proceeding; or
 - (c) is detrimental to the interest 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.

- (7) Any such minutes shall be evidence of the proceedings recorded therein.
- (8) 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 Directors determine, to the inspection of any member without charge.
- (9) The Company shall observe secretarial standards with respect to general and Board meetings specified by the Institute of Company Secretaries of India constituted under section 3 of the Company Secretaries Act, 1980, and approved as such by the Central Government.

DIRECTORS

116. 1. Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors excluding Debenture and Alternate Directors, (if any) shall not be less than three nor more than fifteen.
- Number of directors
& first directors
- The Board shall have an optimum combination of executive and Independent Directors with atleast 1 (one) woman Director, as may be prescribed by Law from time to time.
2. The first Directors of the Company were the following:
- 1) SRI DALAM CHAND SURANA
 - 2) SRI ASHOK KUMAR BAID
 - 3) SRI CHAMPA LAL BAID
117. If at any time the Company obtains any loan or any assistance in connection there with by way of guarantee or otherwise from any person, firm, body corporate, Central or State government, local authority or public body (hereinafter called "the institution") or if at any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution, whereby the institution subscribes for or underwrites the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more directors to the Board of the Company, then subject to the provisions of Act and subject to the terms and conditions of such loan, assistance, contract or arrangement, the institution shall be entitled to appoint one or more director or directors, as the case may be, to the Board of the Company and to remove from office any director so appointed and to appoint another in his place or in the place of director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The director or directors so appointed shall not be liable to retire by rotation and shall continue in the office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists.
- Power to appoint ex-officio (nominee) directors
118. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a director on the Board of the Company, then in the case of any and every
- Debenture Director

such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a director accordingly. Any director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place.

Appointment of small shareholders' director

119. The Company may appoint a small shareholders' director as may be required under the Act and in the manner and on such terms and conditions as may be prescribed under Section 151 of the Act and the rules made thereunder as may be in force for the time being.

Restrictions on directorship

120. No small shareholders' director appointed in accordance with the provisions of this Article shall hold office at the same time as "small shareholders director" in more than two companies. Provided that the second company in which he has been appointed shall not be in a business which is competing or is in conflict with the business of the Company.

Appointment of alternate directors

121. The Board may subject to Section 161 appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India.

No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act.

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 the office of the Original Director when he returns to India. If the terms of office of the Original Director are determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Directors power to add to the Board or the appointment of Additional director

122. Subject to the applicable provisions of the Act and the rules made thereunder, the Board shall have power at any time and from time to time to appoint any person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum 15 fixed under the Article 116. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting.

123. The Company shall appoint such number of Independent Director as may be prescribed under Section 149 of the Act and the rules made thereunder from time to time and such Independent Director must satisfied the criteria of independence as may be prescribed under the Act or the rules, regulations or agreement for the time being in force. Independent Director
124. Subject to the provisions of the Act, an Independent Director may be appointed to hold office for a term up to five consecutive years on the Board of the Company, but shall be eligible for reappointment on passing of a special resolution by the Company and subject to the compliance with the applicable legal requirement. Term of appointment of Independent Director
125. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him. Directors power to fill casual vacancy
126. (1) Subject to the provisions of the Act, a Managing Director, or Managing Directors or Director who is/are in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other. Remuneration of Directors
- (2) Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a Managing Director, may be paid remuneration either:
- (i) by way of monthly, quarterly or annual payment or
 - (ii) by way of commission, if the Company by a special resolution authorised such payment.
- (3) The fees payable to a director (including a managing or whole-time director, if any), for attending a meeting of the Board or Committee thereof may be in accordance with and subject to the provisions of Section 197 of the Act or such other sum as the Company in general meeting may from time to time determine.
127. The Board may allow any payment to any director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may Reimbursement of expenses to Directors for attending meeting of the Board

consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with business of the Company.

Directors may act notwithstanding any vacancies

128. 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 the Article 116 hereof, the continuing directors not being less than three, 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.

Vacation of office of director

129. The office of a Director shall ipso facto be vacated if :

- (a) he incurs any of the disqualifications specified in Section 164 of the Act; or
- (b) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
- (c) he acts in contravention of the provisions of section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested; or
- (d) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of Section 184 of the Act; or
- (e) he becomes disqualified by an order of a court or the Tribunal; or
- (f) he is convicted by a court of any offence, whether involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months. Provided that the office shall be vacated by the director even if he has filed an appeal against the order of such court; or
- (g) he is removed in pursuance of the provisions of this Act; or
- (h) he, having been appointed a director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, ceases to hold such office or other employment in that company; or

130. (1) A related party as defined in the Act, may enter into any contract or arrangement with Company with respect to any of the transaction/business as specified in Section 188 of the Act, provided that the consent of the Board or shareholders is obtained before or within three months of the date on which the contract is entered into in accordance with Section 188 of the Act. Such contract or arrangement shall also be subject to the compliance with the requirements of Section 188 of the Act.
- (2) No sanction shall, however, be necessary for any transaction entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
- (3) Shareholder of the Company shall vote on such Special Resolution, to approve any contract or arrangement which may be entered into by the company as per provisions of the Act.
131. A director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract 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 contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company either himself or along with his relatives or in association with other directors holds or hold less than two per cent of the paid-up share capital in any such other company.
132. A General Notice given to the Board by the Director in the first meeting of the Board in which he participates and thereafter at the first meeting of the Board in every financial year, to the effect that he is a director or member of specified companies, bodies corporate or is a member of specified firms or other association of individuals 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 those companies, bodies corporate, firms or other association of individuals shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made.

Related Party may
contract with
Company

Disclosure of interest

General notice of
interest

Interested director not to participate or vote in Board's proceeding

133. No director shall as director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void except as provide in the Act or rules made thereunder.

Register of contracts in which directors are interested

134. The Company shall keep a Register in accordance with Section 189 of the Act and shall within the time specified in the Act or rules made thereunder, enter therein such of the particulars as may be relevant having regard to the application thereto of Section 184 or Section 188 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each director of the Company the names of the companies, bodies corporate, firms and other association of person of which notice has been given by him under Article 132. 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 in such manner and on payment of such fee as may be prescribed under the Act or rules made thereunder.

Directors may be directors of companies promoted by the Company

135. A Director may be or become a director of any company promoted by the Company or in 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 other applicable provision of the Act may be applicable.

Retirement and rotation of directors

136. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.

Ascertainment of Directors retiring by rotation and filling of vacancies

137. Subject to Section 152 of the Act, the Directors to retire by rotation under Article 136 at every Annual General Meeting shall be those (other than Independent Directors, Managing Director and/or any Director or Directors who by virtue of the Provisions of any agreement referred to in Article 117 are not liable to retire) who have been longest in the office since their last appointment, but as between persons who became directors on the same day, those who are to retire, shall, in default of, and subject to any agreement amongst themselves, be determined by lot.

138. A retiring Director shall be eligible for re-election.

Retiring Director
eligible for re-election

139. Subject to the applicable provision of the Act, the Company at the General Meeting at which a director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Filling up of
vacancies at general

140. (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 until the same day in the next week, at the same time and place.

Meeting Provisions
for default of
appointment

(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 so deemed to have been reappointed at the adjourned meeting, unless:

- (i) at that meeting or at the previous meeting the resolution for the reappointment of such director has been put to the meeting and lost;
- (ii) the 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;
- (iv) a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
- (v) the provision to Section 162 of the Act is applicable to the case.

141. Subject to the provisions of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of directors, and may after their qualifications the Company (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 person 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.

Company may
increase or reduce
the number of
directors

142. (1) No person not being a retiring Director, shall be eligible for appointment to the office of director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the

Notice of candidate
for office of directors
except in certain
cases

office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office.

- (2) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- (3) A person other than a director reappointed after retirement by rotation or immediately on the expiry of his term of office, or an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has given his consent in writing to act as such Director.

Register of Directors
etc. and notification
of change to Registrar

- 143. (a) The Company shall keep at its office a Register containing the particulars of its Directors, Managers, Secretaries and other key managerial personnel as required under Section 170 of the Act and rules made thereunder and shall otherwise comply with the provisions of the Act 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.

Disclosure by
directors of
appointment in other
body corporate &
shareholding

- 144. Every Director shall in accordance with the provisions of 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.

KEY MANAGERIAL PERSONNEL

Power to appoint Key
Managerial Personnel

- 145. 1. Subject to the provisions of Section 203 of the Act:
 - (i) A Managing Director/Chief Executive Officer/Manager and in their absence a Wholetime Director and

Company Secretary and Chief Financial Officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

2. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director or Managing Directors of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of Article 146, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a Managing Director may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act.

Board may appoint
Managing Director or
Managing Directors

146. The Managing Director or Managing Directors shall not exercise the powers in respect of the matters as specified under section 179 of the Act or Rules made thereunder.

Restriction on
Management

147. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or whole-time Director who:

Certain persons not
to be appointed as
Managing or whole-
time Director

- (a) is below the age of twenty-one years or has attained the age of seventy years:

Provided that appointment of a person who has attained the age of seventy years may be made by passing a special

resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person;

- (b) is an discharged insolvent, or has at any time been adjudged as insolvent;
- (c) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made a composition with them; or
- (d) is, or has, at any time been convicted by a Court of an offence and sentenced for a period of more than six months.

Managing Director
Special position of
Managing Director

148. A Managing Director shall not while he continues to hold that office be subject to the retirement by rotation, in accordance with these Articles. If he ceases to hold the office of Director, he shall ipso-facto and immediately cease to be a Managing Director.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meetings of Directors

149. The Directors may meet together as a Board for the exercise of business from time to time, and shall so meet atleast 4 (four) times every year in such a manner that not more than 120 (one hundred and twenty) days shall intervene between two consecutive meetings of the Board. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Meetings of Board
through video
conferencing or other
audio visual means

All Directors participating at a meeting by telephone conference, video conference or any other form of audio-visual instantaneous communication by which all persons participating in the meeting are able to hear, be heard by, and see all other participants shall be considered for all purposes of these Articles to be counted for the purpose of quorum, unless he is to be excluded for any items of business under any provisions of the Act or the Rules made thereunder. However, such matters as provided under 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. The scheduled venue of the meeting as set forth in the notice convening the meeting shall be deemed to be the place of the said meeting.

The Company shall comply with the procedure as specified in the Act and the Rules made thereunder from time to time, for convening and conducting the Board meetings through video conferencing or other audio visual means.

150. Notice of every meeting of the Board shall be given not less than 7 (seven) days before the date of meeting in writing to every Director for the time being in India, and at his usual address in India; to every other Director and such notice shall be sent by hand delivery or by post or by electronic means.
- Meeting at shorter notice: 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 applicable provisions of the Act and relevant Rules.
151. The Secretary shall, as and when directed by the Directors to do so convene a meeting of the Board by giving a notice in writing to every other Director.
152. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed, or if at any meeting of the Board the Chairman is not present within five minutes after the time appointed, for holding the same, the Directors present shall choose some one of their member to be the Chairman of such meeting.
153. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairman of the Board shall appoint.
154. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board.
155. Save as otherwise expressly provided in the Act or the Rules made thereunder, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
156. The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the listing agreement. Save as otherwise expressly provided in the Act or the Rules made thereunder, the Board may (subject to provisions of section 179 of the Act) from time to time as may be required delegate any of its powers to a committee consisting
- Notice of Meeting
- When meeting to be convened
- Chairman
- Quorum
- Exercise of power to be valid in meetings where quorum is present
- Matter to be decided on majority of votes
- Power to appoint committee and to delegate

of such Director or Directors or to any managing Director/ executive Director or manager or the chief executive officer as it thinks fit, and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulation that may from time to time be imposed upon it by the Board.

Proceeding of
committee

157. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the Article 156.

Resolution without
Board Meeting/
Resolution by
Circulation

158. Save as otherwise expressly provided in the Act or the Rules made thereunder, where a resolution is required to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, 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 prescribed and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

Provided that, where not less than one-third of the total number of directors of the Company 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.

Such resolution 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.

Acts of Board
Committee valid
notwithstanding
formal appointment

159. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall 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 and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

160. (1) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in the books kept for that purpose with their pages consecutively numbered.
- (2) Each page of every such book shall be initialled 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.
- (3) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.
- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
- (6) The minutes shall also contain.
- (a) the names of the Directors present at the meeting; and
 - (b) in the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
- (7) Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting :
- (a) is, or could reasonably be regarded as defamatory of any person.
 - (b) is irrelevant or immaterial to the proceedings; or
 - (c) is detrimental to the interest of the Company.

Minutes of
proceedings of
meeting of Board

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

- (8) The Company shall comply with the procedure for recording and maintain of minutes as prescribed under the Act and the Rules made thereunder, and the minutes shall be evidence of the proceedings recorded therein.

POWERS OF THE BOARD

Powers of Board

161. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations 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.

Provided that save as otherwise provided in the Act or Rules made thereunder, the Board shall not, except with the consent of the Company through Special Resolution in General Meeting:

- (a) sell, lease or otherwise dispose off 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 of such undertakings;
- (b) invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- (c) borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business - that is to say reserves are not set apart for any specific purpose. Provided further that the powers specified in Section 179 of the Act shall, subject to these Articles, be exercised only at meetings of the Board, unless the same be delegated to the extent there in stated; or
- (d) remit, or give time for the repayment of, any debt due from a director.

162. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers; that is to say, power :

Absolute powers of Board in certain cases

- (1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (2) To pay any charge to the capital account of the Company and Commission or interest lawfully payable there out under the provisions of the Act or the Rules made thereunder.
- (3) Subject to the provisions of the Act or Rules made thereunder, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (4) At their discretion and subject to the provisions of the Act or Rules made thereunder, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in shares, bonds, debentures, mortgages, or other securities of the Company, and such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled capital or not so charged;
- (5) Save as otherwise provided in the Act or Rules made thereunder, to secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;
- (6) Save as otherwise provided in the Act or Rules made thereunder, to accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;

- (7) To appoint any person to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and, perform any awards made thereon;
- (9) To act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (11) Save as otherwise provided in the Act or Rules made thereunder, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- (12) Save as otherwise provided in the Act or Rules made thereunder, to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- (13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;

- (14) To distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- (15) Save as otherwise provided in the Act or Rules made thereunder, to provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- (16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose off and apply and expand all or any part thereof for the benefit of

the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special Funds as the Board may think fit, with full power to transfer the whole, or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or debenture stock, and without being bound to keep the same, separate from the other assets, and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

- (17) Save as otherwise provided in the Act or Rules made thereunder, to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit; and the provisions contained in the four next following subclauses shall be without prejudice to the general powers conferred by this sub-clause.
- (18) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient of comply with.
- (19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such Local Boards and to fix their remuneration.

- (20) Subject to Section 179 & 180 of the Act from time to time and at any time, delegate to any person or Committee so appointed, any of the powers, authorities and discretions for the time being vested in the Board, other than their power as specially not permitted under the Act to be delegated, and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- (21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow money) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the Members of any Local Board, established as aforesaid or in favour of any company, or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- (22) Subject to Sections 188, 189 and other applicable provisions of the Act and save as otherwise provided in the Act or Rules made thereunder, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

- (23) Save as otherwise provided in the Act or Rules made thereunder, the Board may pay such remuneration to Chairman/Vice Chairman of the Board upon such conditions as they may think fit.

THE SECRETARY

- | | |
|-----------|--|
| Secretary | 163. Save as otherwise provided in the Act or Rules made thereunder, the Directors may, from time to time appoint, and at their discretion, remove the Secretary provided that where the Board comprises only three Directors, neither of them shall be the Secretary. The Secretary appointed by the directors pursuant to this Article shall be a whole-time Secretary. The Directors may also at any time appoint some person (who need not be Secretary) to keep the registers required to be kept by the Company. |
|-----------|--|

THE SEAL

- | | |
|-----------------------|--|
| The seal, its custody | 164. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

(b) Save as otherwise provided in the Act or Rules made thereunder, the Company shall also be at liberty to have an official Seal in accordance with the provisions of the Act, for use in any territory, district or place outside India. |
| Use of seal | 165. Every Deed or other instrument, to which the seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the Share Certificate, the Seal shall be affixed in accordance with the Article 20. |

DIVIDENDS

- | | |
|---------------------|---|
| Division of profits | 166. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively. |
|---------------------|---|

167. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed the amount recommended by the Board, but the company in general meeting may declare a smaller dividend.
- The Company in general meeting may declare a dividend
168. No dividend shall be declared or paid otherwise than out of the 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 these provisions and remaining undistributed or out of both, provided that;
- Dividend only to be paid out of profits
- (a) The company may, before the declaration of any dividend in any financial year, transfer such percentage of its profits for that financial year as it may consider appropriate to the reserves of the company.
- (b) where, owing to inadequacy or absence of profits in any financial year, any company proposes to declare dividend out of the accumulated profits earned by it in previous years and transferred by the Company to the reserves, such declaration of dividend shall not be made except in accordance with the Rules as may be prescribed by the Central Government under the Act in this behalf.
- Provided also that no dividend shall be declared or paid by a company from its reserves other than free reserves.
169. The Board may, from time to time, pay to the Members such interim dividend as in their judgment, the position of the Company justifies.
- Interim Dividend
170. Where capital is paid in advance of calls such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.
- Calls in advance not to carry rights to participate in profits
171. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portion of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
- Payment of prorata dividend
172. The Board may retain the dividends payable upon shares in respect of which any person is under the Article 63 entitled to become a member or which any person under that Article is
- Dividend to be kept in abeyance

entitled to transfer; until such a person shall become a member, in respect of such shares or duly transfer the same.

Receipts for
dividends

173. Anyone of several persons who are registered as joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

Deduction of money
owned to
the company

174. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

Rights to dividend
where shares
transferred

175. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer.

Manner of paying
dividend

176. Unless otherwise directed, any dividend may be paid in any electronic mode as the Board may deem fit and proper, or by cheque or warrant or by a pay-slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or Warrant shall be made payable to the order of the person to whom it is sent. 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 the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the dividend by any other means.

Non-forfeiture of
unclaimed dividend

177. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the company shall comply with the applicable provisions of the Act and the Rules made thereunder in respect of all unclaimed or unpaid dividends.

Dividend may be set
off against calls

178. Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend and the dividend may, if so arranged between the Company and the member, be set off against the calls.

179. Where the company has declared a dividend but which has not been paid or claimed within 30 days from the date of the declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid dividend of "KKALPANA INDUSTRIES (INDIA) LIMITED". Any money transferred to the unpaid dividend account of the Company which remains unpaid/unclaimed for a period of 7 years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established under the Act or the Rules made thereunder or any other law as may be applicable.
- Unpaid Dividend

CAPITALISATION OF RESERVES

180. Subject to the provisions of Section 63 of the Act and the Rules made thereunder, if any, any general meeting may resolve that any moneys, investments, or other assets forming part of undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Fund, in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend all in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such members in paying up in full any unissued shares, debentures, or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, all that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum.
- Issue of Bonus Shares

Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Fund may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

Provided that no issue of bonus shares shall be made by capitalising reserves created by the revaluation of assets.

Utilization of
undistributed capital
profits

181. A general meeting may resolve that any surplus money arising from the realisation of any capital asset of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.

Resolving issues of
fractional certificates

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

ACCOUNTS

Directors to keep
true accounts

183. (1) The company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account and or other relevant papers (either in electronic mode or in physical mode in such manner as may be specified) in accordance with Section 128 of the Act and the Rules made thereunder.
- (2) Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company, the Company shall within 7 (seven) days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
- (3) The Company shall preserve in good order the Books of Account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to the entry in such Books of Account.
- (4) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the Article if proper Books of Account relating

to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its offices or at other place in India, at which the Company's Books of Account are kept as aforesaid.

- (5) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

184. The Board shall from time to time determine whether and to what extent and at what times and place and under what conditions are regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no member (not being a director) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board.

Places of keeping
accounts

185. The Directors shall from time to time, in accordance with the provisions of the Act, cause to be prepared and to be laid before the Company in general meeting, such financial statements and Reports as are required by the Act and the Rules made thereunder from time to time and as in force for the time being.

Laying of accounts
before Annual
General Meeting

186. A copy of every such financial statements (including the Auditors' Report and every other document required by law to be annexed or attached thereto), shall at least clear twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to holders of debentures issued by the Company (not being debentures which exfacie are payable to the bearer thereof); to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company.

Accounts when to
be sent

AUDIT

187. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and the Rules made thereunder.

Accounts to be
audited

188. The First Auditor or Auditors of the Company shall be appointed by the Board within thirty days from the date of registration of the Company and the Auditor or Auditors so appointed shall hold

First auditor or
auditors Secretarial
Auditors

office until the conclusion of the First Annual General Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as Auditor or Auditors in accordance with the provision of the Act and the Rules made thereunder.

The aforesaid provisions shall mutatis mutandis apply to any Secretarial Auditor appointed under the relevant provisions of the Act.

DOCUMENTS AND NOTICES

Service of documents and notice

189. (1) A document or notice may be served or given by the Company on any member either
- Personally; or
 - Sending it by registered post or by speed post or by courier service or any other mode, as may be permitted under the Act or Rules made thereunder, to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him; or
 - By any electronic mean as may be permitted under the Act or Rules made thereunder as may be applicable.
- (2) Where a document or notice is sent by registered post or by speed post or by courier service or any other mode, as may be permitted under the Act or Rules made thereunder, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice.

Newspaper advertisement of notice to be deemed duly serviced

190. A document or notice advertised in a newspaper circulating in the neighbourhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears to every member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him.

Notice to whom Served

191. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the share.

192. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through post or registered post or speed post or courier service or any other mode, as may be permitted under the Act or Rules made thereunder, in a prepaid letter addressed to him or them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
193. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor for the time being of the Company.
194. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.
195. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.
196. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or Officer at the Office by registered post or by speed post or by courier service or by leaving it at its registered office or by means of such electronic or other mode as may be prescribed in this behalf under the Act or the Rules made thereunder.
- Notice to be served to representative
- Service of notice of General Meetings
- Members bound notice
- Documents or notice to be signed
- Notice to be served by post

WINDING UP

197. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction
- Liquidator's powers

vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.

INDEMNITY AND RESPONSIBILITY

*Person when to be indemnified by the company

198. Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceeding, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 463 of Act, in which relief is granted to him by the Court.

SECRECY

No members to enter the premises of the company without permission

199. Subject to the provisions of these Articles and the Act no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Company to communicate.

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

Names, Addresses, Descriptions and Occupation of Subscribers	Number of Shares taken by each Subscriber	Name, Address Occupation and Father's Name of Witness
1. Mr. D.C Surana, (Dalam Chand Surana) S/o. Late Fateh Chand Surana 3, Portuguese Church Street, Calcutta- 700 001, Business	100 (One Hundred)	Witness to all the Signatories : KAMAL SINGH BHANSALI S/o. Sri Chainroop Bhansali, Chartered Accountant, 15, India Exchange Place, Calcutta- 700 001
2. Mr. A.K. Baid (Ashok Kumar Baid) S/o. Sri Champalal Baid 3, Portuguese Church Street, Calcutta-700 001, Business.	100 (One Hundred)	
TOTAL SHARES TAKEN	200 (Two Hundred)	

Calcutta, dated 13th day of August, 1985.

Company Petition No. 397 of 2005
Connected with
Company Application No. 305 of 2005

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

In the matter of:

The Companies Act, 1956:

And

In the matter of:

An application under section 391 (2) and 394
of the said Act;

And

In the matter of:

1. Kalpana Plastics Private Limited a
Company incorporated under the Companies
Act, 1956 and having its registered office at
Minerva Garden Complex, Shed No. 4B, Joka,
Diamond Harbour Road, South 24 Parganas
, West Bengal within the aforesaid jurisdiction.

2. Kalpana Industries Limited a company
incorporated under the Companies Act, 1956
and having its registered office at 2B, Pretoria
Street, Calcutta-700 071 within the aforesaid
jurisdiction;

And

In the matter of:

1. Kalpana Plastics Private Limited
2. Kalpana Industries Limited

.... Petitioners.

Company Petition No. 397

Connected with

Company Application No. 305

No. of 2005

No. of 2005

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

President of the Union of India.

In the matter of:

The Companies Act, 1956,

And

In the matter of:

An application under Section 391 (2)

And 394 of the said Act;

And

In the matter of:

1. Kalpana Plastics Private Limited, A Company incorporated under the Companies Act, 1956 and having its registered office at Minerva Garden Complex, Shed No. 4B, Joka, Diamond Harbour Road, South 24 Parganas, West Bengal within the aforesaid jurisdiction.

2. Kalpana Industries Limited, a Company incorporated under the companies Act, 1956 and having its registered office at 2B, Pretoria Street, Calcutta- 700071, within the aforesaid Jurisdiction.

And

In the matter of:

1. Kalpana Plastics Private Limited

2. Kalpana Industries Ltd.

.....

Petitioners

The above petition coming on for hearing on this day upon reading the said petition the order dated sixteenth day of May in the year two thousand and five modified by an order dated fourteenth day of June in the year two thousand and five whereby the above mentioned petitioner Company No.1. Kalpana Plastics Private Ltd (hereinafter referred to as the said transferor company) the above named petitioner company No.2 Kalpana Industries Limited (hereinafter referred to as the said transferee company) were ordered to convene separate meetings of the equity shareholders of the said transferor company and the said transferee

company for the purpose of considering and if thought fit, approving with or without modification the proposed scheme of Amalgamation of the said transferor company with the said transferee company and annexed to the joint affidavit of Narendra Kumar Surana and Surendra Kumar Surana all filed on twenty seventh day of April in the year two thousand and five the "Financial Express" and the "Dainik Vishwamitra" both dated twenty first day of June in the year two thousand and five containing the advertisement of the said notices convening the said meetings directed to be held by the said order sixteenth day of May in the year two thousand and five modified by an order dated fourteenth day of June in the year two thousand and five the affidavit of Krishna De Kar filed on the fourteenth day of July in the year two thousand and five showing the publication and dispatch of the said notices convening the said meetings, the reports of the chairpersons of the said meetings dated twentysixth day of July in the year two thousand and five as to the result of the said meetings and upon reading on the part of the petitioner companies an affidavit of Bikash Dutta filed on twenty eighth day of September in the year two thousand and five and the exhibits therein referred to and upon reading the order made herein and dated tenth day of August in the year two thousand and five and upon hearing Mr. K. Thacker, Advocate for the said petitioner companies and Mr. S Gupta, Advocate for the Central Government and it appears from the said reports of the chairpersons that the proposed scheme of Amalgamation has been approved by the requisite majority of equity shareholders of the said transferor company and the said transferee company in accordance with law And in view of no objection granted by the Central Government by his letter being no. RD/T/13515/L/491/2005/3246 dated twenty sixth day of September, in the year two thousand and five subject to filing of form no. 5 under section 97 of the Companies Act, 1956 for increasing its authorized share capital of the transferee company by minimum of Rupees two crores.

This court doth hereby sanction the proposed scheme of Amalgamation set forth in Annexure "A" of the petition herein and specified in the Schedule "A" hereto and doth hereby declare the same to be biding with effect from first day of April in the year two thousand and four (herein after referred to as the said transfer date) on the said transferor company and the said transferee company and their shareholders and all concerned.

This court doth order:

1. That all the assets, property, rights and interest of the said transferor company including those specified in the first, second and third parts of the Schedule "B" hereto be transferred from the said transferor date and vest without further act or deed in the said transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act 1956 be transferred to and vest in the said transferee company for all the liabilities, estate and interest of the said transferor company but subject nevertheless to all charges now affecting the same and
2. That all the liabilities and duties of the said transferor company be transferred from the said transferor date without further act or deed to the said 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 assets of the said transferee

company and

3. That all proceedings and / or suits and/ or appeals now pending by or against the said transferor company be continued by or against the said transferee company and
4. That leave be and the same is hereby granted to the said transferee company to file the schedule of Assets of the said transferor company herein within a period of four weeks from the date hereof; and
5. That the said transferor company and the said transferee company do within a period of thirty days from the date of obtaining the certified copies of this order cause the same to be delivered to the Registrar of Companies, West Bengal for registration ; and
6. That the official liquidator of this court do file a report under second proviso to section 394 (1) of the companies Act, 1956 in respect of the said transferor company within a period of six weeks from the date hereof; and
7. That the said official liquidator do forthwith serve a copy of the said reports to be filed by him upon Mr. Bijan Dutta the Advocate on record for the said petitioner Companies after filing the same with this Court; and
8. That leave be and the same is hereby granted to the said transferee company to apply for the dissolution without winding up of the said transferor company after filing the said report by said official liquidator; and
9. That the said transferee company do submit form No. 5 with the requirement of under section 97 of the Companies Act, 1956 for increasing its authorized capital of the transferee company by minimum of Rupees two crores along with the requisite Central Government fees; and
10. That this Court doth not think fit to make any order as to the costs save and except the petitioner companies do pay to the Central Government etc. costs of and incidental to this applications assessed at two hundred gold mohurs; and
11. That any persons interested shall be at liberty to apply to this Honourable Court in the above matter for such directions as may be necessary; and
12. That the letter of the Central Government being No. RD/T/13515/L/491/2005/3246 dated twentysixth day of September in the year two thousand and five shall be filed as of records herein.

Witness Mr. Vikas Shreedhar Sirpurkar, Chief Justice at Calcutta aforesaid the twenty eighth day of September in the year two thousand and five.

Bijan Dutta.....Advocate

S. Gupta.....Advocate for the Central Government

Schedule "A" above referred to
Scheme of Arrangement for Amalgamation
Of
Kalpana Plastics Private Limited
With
Kalpana Industries Limited

PART-I

PRELIMINARY

In this scheme unless inconsistent with the subject or context the following expressions shall have the following meanings:-

- a) "KPPL" means M/s. Kalpana Plastics Private Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Minerva Garden Complex, Shed No. 4B, Joka, Diamond Harbour Road, South 24 Parganas, West Bengal.
- b) "KIL" means Kalpana Industries Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 2B, Pretoria Street, Kolkata-700 071.
- c) "The Act" means the companies Act, 1956.
- d) "The Transferor Company" means KPPL.
- e) "The Transferee Company" means KIL.
- f) "The transfer Date " means the commencement of business on the 1st April, 2004.
- g) "The Effective Date" means the day when a certificate copy of the order of the Hon'ble High Court at Calcutta sanctioning the scheme is filed with the Registrar of Companies, West Bengal.
- h) "Proceedings" include any suit, appeal or any legal proceeding of whatsoever nature in any court of or trial or any judicial or quasi judicial body or any meant proceedings before any authority under law and also arbitration proceedings.

PART-II

CAPITAL STRUCTURE

- a) As on the transfer date the Authorized Share Capital of KPPL is Rs. 2,99,00,000/- (Rupees two crores ninety nine lacs only) divided into 2,99,000 Equity Shares of Rs. 100/- each. The issued, subscribed and paid up share capital of KPPL as on 31st

March, 2004 was Rs. 2,82,40,000/- (Rupees Two Crores Eighty Two Lacs Forty Thousand only) divided into 2,82,400 Equity Shares of Rs. 100/- each all fully paid up.

- b) As on the Transfer Date, the authorized Share Capital of KIL is Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 1,00,00,000 Equity Shares of Rs. 10/- each. The Issued , Subscribed and Paid Up Share Capital of KIL as on 31st March, 2004 is Rs. 7,60,00,000/- (Rupees Seven Crores Sixty Lacs only) divided into 76,00,000 Equity Shares of Rs. 10/- each all fully paid up.

PART III

OBJECTIVE OF AMALGAMATION

The Board of Directors of the Transferee Company and KPPL has decided to amalgamate as per this scheme owing to following reasons.

- a) That the proposed Amalgamation will provide the transferee Company with manufacturing facilities for PVC Compound, PVC Sole, etc and will enable it to establish its presence in the Eastern Region.
- b) That the proposed Amalgamation will lead to larger market share and consolidation of facilities and capacities .
- c) That the proposed Amalgamation will lead to distinct synergetic advantages and economies of scale.
- d) That the proposed Amalgamation will lead to reduction in overheads of the companies.
- e) That the proposed Amalgamation will lead to optimum utilisation of resources including manpower of the companies

PART IV

SCHEME OF ARRANGEMENT

- 1. The undertaking of KPPL shall with effect from the transfer date without any further act or deed be transferred to any vested in or deemed to have been transferred to and vested in KIL pursuant to Section 394 (2) of the Act for all the estate and interest of KPPL therein but subject nevertheless to all charges, liens, mortgages , lispending, if any then effecting the same or part thereof on the transfer date and KPPL shall be deemed to have amalgamated with KIL
- 2. The name of the KIL immediately after amalgamation shall remain unchanged by virtue of this scheme.
- 3. That the purpose of this scheme , the "Undertaking" of KPPL shall include. i) All the assets of KPPL as on the transfer date, and ii) All the liabilities of KPPL as on the transfer date.

4. Without prejudice to the generality of Sub Clause (a) hereof, the undertaking of KPPL shall include all right, privileges, powers and authorities and all properties, movable and immovable, real, corporeal or incorporated in possession or reversion, present or contingent or of whatsoever nature and wherever situate including land, building, machinery, vehicles, office equipment, inventories , sundry debtors cash and bank balances, loans and advances, leases, tenancy rights, agency, rights and all other interest or rights in or arising out of or relating to such property together with and in particular the Authorised Capital, all licences, kind of permissions by any authority under any law , registration and liberties , patents, trade and import quotas and telephones and fax/ telexes held by KPPL or which it is entitled to and all liabilities and debts of KPPL and all other obligation of whatsoever kind including liabilities for payment of gratuity, pensions benefits, provident funds or compensation in the event of retrenchment PROVIDED ALWAYS that the scheme shall not operate to enlarges the security for any loan deposit or facility created by or available against KPPL which shall vest in KIL by virtue of the Amalgamation and KIL shall not be obliged to create any further or additional security therefore after the Amalgamation has become effective or otherwise.
5. The liability of KPPL in relation to the deposits received by them under Sections 58A of the Companies Act, 1956 or otherwise , if any, shall be discharged by KIL on the same terms and conditions on the scheme becoming effective.
6. All contracts , deeds , agreements and other instruments of whatever nature between KPPL and KIL shall stand terminated or cancelled.
7. If any proceedings of whatever nature by or against KPPL be pending , the same shall not abate or be discontinued or be in any way prejudicially affected by reasons of the transfer of the undertaking of KPPL or as to anything contained in the scheme but the proceedings including those by the creditors of KPPL may be continued , prosecuted and enforced by or against KIL in the same manner and to the same extent as it would be or might have been continued , prosecuted and enforced by or against KPPL and if this scheme had not been made.
8. The transfer and vesting of the properties and liabilities under clause 1 and 2 hereof and continuance of the proceedings by or against KIL under clause 3 hereof shall not effect any transaction or proceedings already concluded by or on behalf of KPPL on and after transfer date to the end and intent that KIL accept and adopts all acts , deed and things done and executed by or on behalf of KPPL as acts , deeds and things done and executed by or on behalf of KIL.
9. As from the transfer date and until the effective date KPPL shall be deemed to have carried on and to be carrying on all business and activities and stand possessed of

all the properties on behalf of and on account of and upon trust for to KIL. Accordingly, all profits earned by KPPL or losses suffered by KPPL after the period commencing from the transfer date shall for all purposes be treated as the profits and losses as the case may be of KIL.

10. Subject to the other provisions contained in this scheme all contracts, deeds, agreements and other instruments of whatever nature to which KPPL are a party subsisting or having effect-immediately before the amalgamation shall remain in full force and effect against or in favour of KIL and may be enforced as full and effectively as if instead of KPPL , KIL has been a party thereto.
11. The scheme shall become effective and transfers shall be deemed to have been taken place with effect from the transfer date upon.
 - a. The scheme being approved by the requisite majorities of the shareholders of KPPL and KIL and thereafter sanctioned by the Hon'ble High Court at Calcutta.
 - b. The certified copies of the order of the Hon'ble High Court sanctioning the scheme of Amalgamation is filed with the Registrar of Companies, West Bengal.
12. Upon the transfer of the Undertaking of KPPL pursuant to clause 1 hereof and the amalgamations becoming effective in terms of this scheme , KIL shall without further applications issue and allot to every Equity Shareholders of KPPL 70 (Seventy) Equity Share of Rs. 10/- each credited as fully paid up of KIL for 5(five) Equity Shares of Rs 100/- each fully paid up held by such Equity Shareholders in KPPL.
13. The shares of KIL are listed on the Stock Exchange, Mumbai, The Calcutta Stock Exchange Association Ltd, The Delhi Stock Exchange Association Limited, The Stock Exchange Ahmedabad and The Hyderabad Stock Exchange. The shareholding pattern of KIL as on 1st March, 2005 is as follows.

Sl.	Category	No. of Shares held	% of Holding
01	Promoters		
	Indian Promoters	4637426	61.02
	Total	4637426	61.02
02	Non Promoters		
	Institutional Investors	91900	1.21
	Private Corporate Bodies	162443	2.14
	Indian Public	2566611	33.77
	NRI OCBs	141620	1.86
	Total	2962574	38.98
	Grand Total	7600000	100.00

14. The Shares of KPPL are not listed on any Stock Exchanges and entire share Capital is held by the Promoters of KIL and their friends and Associates.
15. Upon the scheme becoming effective, the shareholding pattern of KIL consequent upon allotment of shares to the shareholders of KPPL pursuant to this scheme shall stand modified as follows :

Sl.	Category	Number of Shares held	% of Holding	Number of shares allotted pursuant to the scheme		% of holding on increased capital base
01	Promoters					
	Indian Promoters	4637426	61.02	3953600	8591026	74.36
	Total	4637426	61.02	3953600	8591026	74.36
02	Non Promoters					
	Institutional Investors	91900	1.21	0	91900	0.79
	Private Corporate Bodies	162443	2.14	0	162443	1.41
	Indian Public	2566611	33.77	0	2566611	22.21
	NRI/OCBs	141620	1.86	0	141620	1.23
	Total	2962574	38.98	0	2962574	25.64
	Grand Total	7600000	100.00	3953600	11553600	100.00

16. The increase in Promoters Shareholding pursuant to the scheme is in accordance with all applicable laws and KIL shall take all necessary steps and action to get the Equity Shares allotted pursuant to the scheme to the shareholders of KPPL listed on Stock Exchanges where the existing Equity Capital of KIL is already listed and all the Stock Exchanges and/ or authorities shall grant listing to the shares issued pursuant to this scheme of Agreement.
17. No shareholders of KPPL shall be allotted any fractional shares in KIL. All fractional entitlements of the shareholders of the KPPL shall be consolidated and shall be deemed to have been allotted in favour of two trustees who may be appointed by the Board of Directors of KIL in this regard subjects to the conditions that the said trustees shall sell such shares in the market and distribute sale proceeds thereof as reduced by the cost of sales amongst the shareholders of KPPL entitled to such fractional entitlements.

18. All the shareholders of KPPL shall accept the shares to be allotted as aforesaid in lieu of their share holding in the KPPL.
19. The KIL shall without any further act ordered send the certificate for shares in the KIL to which such shareholders of the KPPL may be entitled to under sub clause (a) hereof and thereupon the certificate held by such shareholder in the KPPL shall stand automatically cancelled.
20. The said Equity Shares in KIL to be issued and allotted to the shareholders of KPPL shall rank Pari Passu in all respect with existing Equity Shares in KIL and they shall be eligible for any dividend paid or declared by KIL with effect from the transfer date.
21. All members whose names shall appear in the Register of KPPL on such date (after the effective date) as the Board of Directors of KIL may determine shall surrender their share certificates for cancellations thereof to KIL. In default thereof , upon the new shares in KIL being issued and allotted by it to KPPL shareholders whose names appear in the register of members of KPPL on such dates as aforesaid , the share certificates in relation to the shares held by them in KPPL shall be deemed to have been cancelled.
22. All shares held by KPPL in KIL or vice versa shall stand cancelled. Further any sums of money owed by KPPL to KIL or vice versa shall stand cancelled if any such cancellation, leads to reductions of capital of transferee company, this scheme shall also be treated as a scheme for reduction of capital to that extent.
23. All the assets and liabilities of KPPL shall be transferred at the Book Values. The reserve and surplus if any shall be transferred to KIL in the same manner in which it appears in the books of KPPL as on the Transfer Date. The Authorized Capital of KPPL shall stand transferred to and vested in KIL as on the Transfer Date.
24. It is clarified that the transfer of all assets and liabilities of KPPL to KIL is to the end and intent that all such assets and liabilities appear in the Book of KIL in the same manner as they appear in the books of KPPL and the amalgamation results in pooling of interests of KPPL by KIL as envisaged in Accounting Standard - 14 of the Institute of Chartered Accountants of India.
25. The difference in the value of the net assets of KPPL as at 31st March, 2004 (the date immediately preceding the Transfer Date) and the paid up value of the shares issued and allotted and payments made to the shareholders of KPPL pursuant to the terms of this scheme shall be accounted for in the books of the KIL as on the transfer Date as follows.
 - a. To the extent to which reserves of KIL are of a corresponding nature to the reserves of KPPL such reserves of KPPL as on 31st March, 2004 shall constitute the reserves of a corresponding similar nature of KIL.

- b. The balance difference shall be credited to the amalgamation reserves of KIL and the same shall be treated as free reserve for all purposes.
26. The Authorized Capital of KPPL as on Transfer Date shall stand transferred to and vested in KIL and accordingly , the Authorized Capital of KIL as on the Transfer Date shall stand increased by the Quantum of Authorized Capital of KPPL and KIL shall not be liable to pay any fees for such increase of Authorized Capital pursuant to the provisions of the scheme.
27. KIL shall take steps for suitable alterations in its Memorandum and Articles of Association as may be required so as to enable it to implement this scheme including in particular to alter its object clause to include the business of KPPL if necessary.
28. All employees of KPPL who are in employment of KPPL as on the effective date in terms of this schemes shall as from such date become the employees of KIL on the basis that their services have not been interrupted by the vesting of the undertaking of the KPPL in KIL in this scheme on the terms and conditions of the services no less favourable to them than those applicable to them immediately before the effective date.
29. Until the Effective Date neither KIL nor KPPL shall issue or allot any further shares either by way of rights shares or bonus shares or other wise or change the issued or paid up share capital of any of the companies in any manner.
30. On the effective date the Board of Directors of KPPL shall stand dissolved and KPPL shall take appropriate steps for the dissolution without winding up of KPPL.
31. Immediately after the effective date the banking account of KPPL shall be operated by KIL in such manner as may be decided by the Board of Directors of KIL. The name of such banking account shall also be changed to the name of KIL and notwithstanding such change in the name KIL shall be entitled to deposit and encash all account payee cheques and negotiable instruments issued in the name of KPPL by operating such banking account.
32. KPPL and KIL shall take necessary steps to obtain necessary orders from the Hon'ble High Court at Calcutta for the sanction of this scheme and for the consequential dissolution without winding of KPPL.
33. The Board of Directors of KIL or any person or persons duly authorized by them may do all acts, deeds, matter and things as may be necessary or expedient for obtaining the sanction of the Hon'ble High Court at Calcutta or other authorities to this scheme and for carrying the scheme into effect including giving consent on behalf of all concerned to any modifications to this scheme to any conditions which the Hon'ble High Court at Calcutta or Central Government or any other authority may think fit to impose.

34. In the event of the said sanctions and approvals and provisions not being obtained or complied with and of the scheme not being sanctioned by the Court and the order or orders not being passed by it as aforesaid this scheme shall become null and void and have no effect whatsoever and in that event no rights and liabilities whatsoever shall accrue to be incurred inter-se to the parties.
35. All costs , charges and expenses of KPPL and KIL in relation to it or in connection with the scheme and or carrying out and implementing the terms and provisions of this scheme shall be borne and paid by KIL.
36. If any doubts or differences or issues shall arise between the parties hereto or any of the shareholders , Creditors, employees and or any persons entitled to or claiming a right to share in KPPL or KIL as to the construction hereof or as to any account , valuations or apportionment to be taken or made of any asset or liabilities transferred to ACPL or as to the accounting treatment thereof or as to anything as contained in or in relation to and/ or arising out of this scheme the same shall be referred to Shri Manoj Kumar Banthia, Practising Chartered Accountant, 224, Krishna Building , Room No. 1012, 1st Floor Kolkata-17 whose advice or opinion in the matter shall normally be considered sufficient , but if the parties to the dispute differences of doubts are not satisfied with such advice or opinion the matter shall be referred for opinion of a competent advocate or solicitor to be mutually selected whose decision shall be final.
37. It is hereby clarified that submissions of this scheme to the High Court and various Governmental and other authorities for their respective approval is without prejudice to all rights, interest, titles or defences that KPPL and KIL as or may have under or pursuant to all appropriate and applicable laws and regulations.

Schedule "B" above referred to
Schedule of Assets And
Properties of
Kalpana Plastics Private Limited (The transferor Company) to be transferred to and vested
in Kalpana Industries Limited (The transferee company) on 31st March, 2004

PART-I

Short description of Free Hold Properties of Kalpana Plastics Private Limited
(The transferor company)

NIL

PART-II

Short description of Lease Hold properties of Kalpana Plastics Private Limited
(The transferor company)

Plant & Machinery	Rs.	327661.00
Laboratory Equipments	Rs.	200929.00
Office Equipments	Rs.	99357.00
Electric Installation	Rs.	70354.00
Furniture & Fixture	Rs.	64180.00
Cellular Phone	Rs.	25207.00
Computers	Rs.	114868.00
Xerox Machine	Rs.	81945.00
Typewriter	Rs.	21902.00
Colour TV	Rs.	11990.00
Scooter	Rs.	47802.00
Total	Rs.	4015195.00

PART-III

Short descriptions of all Stocks , Shares, Debentures and other Chooses in action of
Kalpana Plastics Private Limited (The Transferor Company)

Quoted Investments	0.00
Unquoted Investments	0.00
<u>Cash at Bank</u>	9999377.00
Fixed Deposit with Dena Bank	500000.00
Cash in hand	271539.00
<u>Stock in Trade</u>	
Raw materials	114510.00
Finished Goods	809963.00
Sundry Debtors	17352701.00
<u>Deposits</u>	
Security Deposit (Factory Electricity)	450000.00
Security Deposit (Factory rent)	76400.00
Telephone Deposits	45933.00
Other Deposits	415050.00
Advance Income Tax	0.00
Tax deducted at source	1246415.00
<u>Advances</u>	
Customs Deposits	129338.00
Income Tax Refundable	1624915.00
Advance to suppliers	8620795.00
Advance Sales Tax	51361.00
Central Excise Deposit (PLA)	344708.00
Modvat Credit Receivable (RG Part II)	31873.00
<i>Modvat Credit</i> Receivable (RG Part IIC)	821.00

CVD Receivable	240224.00
Other Advances	904329.00
Prepaid Expenses	371496.00
Loans to Body Corporate	19607985.00

C.P. No. 397 of 2005

Connected with

C.A No. 305 of 2005

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

In the Matter of Companies Act, 1956

And

In the Matter of Kalpana Plastics P. Ltd.

Order

Of the 28th day of September, 2005

Filed this 11th day of November, 2005

Superintendent

Company Matters Department

COMPANY PETITION NO. 251 OF 2010
Connected with
COMPANY APPLICATION NO. 280 OF 2010

IN THE HIGH COURT AT CALCUTTA

ORIGINAL JURISDICTION

President of the Union of India

The Hon'ble Mr. Justice

I.P.MUKERJI

In the matter of :

The Companies Act, 1956 ;

- And -

In the matter of :

An application under Sections 391(2) and 394
of the said Act;

- And -

In the matter of:

KALPENA INDUSTRIES LIMITED a Company
Incorporated under the Companies Act, 1956,
having its Registered Office at 2B, Pretoria
Street, ,Kolakta - 700 071 within the aforesaid
Jurisdiction

- And -

In the matter of:

ALKOM SPECIALITY COMPOUNDS
LIMITED a Company Incorporated under the
Companies Act, 1956, having its Registered

Office at 2B, Pretoria Street, Kolakta - 700071
within the aforesaid Jurisdiction

- And -

In the matter of:

KALPENA INDUSTRIES LIMITED

- And -

ALKOM SPECIALITY COMPOUNDS
LIMITED

... PETITIONERS

The above petition coming on for hearing on this day upon reading the said petition , the order dated thirteenth day of April in the year of Two Thousand Ten and Twenty Third day of April in the year of Two Thousand Ten whereby the above named petitioner Company No.1 Kalpena Industries Limited (hereinafter referred to as the said transferee Company) and the above named petitioner Company No.2 Alkom Speciality Compounds Limited (hereinafter referred to as the said transferor Company) were ordered to convene separate meetings of the shareholders of the said transferee Company and the said transferor Company for the purpose of considering and if thought fit, approving with or without modification of the proposed Scheme of Amalgamation of the said transferor Company with the said transferee Company and annexed to the Joint affidavit of Narendra S.Surana, Rajesh Kothari filed on the Twelveth day of April in the year two Thousand Ten 'The Business Standard' and the 'Dainik Statesman' both dated Twenty-ninth day of April in the year Two Thousand Ten each containing Advertisements of the notices convening the said meeting directed to be held by the said order dated Thirteenth day of April in the year of Two Thousand Ten and Twenty – Third day of April in the year of Two Thousand Ten. The affidavit of Didhite Dutta filed on Twenty – first day of May in the year of Two Thousand Ten showing the publication and dispatch of the said notices convening the said meetings, the reports of the Chairpersons of the said meetings all dated the Twenty – fifth day of May in the year of Two Thousand Ten as to the result of the said meetings and upon reading on the part of the said petitioner Companies, the affidavit of Didhite Dutta Filed on Twenty – Seventh day of July in the year of Two Thousand Ten and the exhibits therein referred to and upon reading the order made herein and dated the Twenty – ninth day of June in the year of Two Thousand Ten and upon reading the affidavit of Sri U.C.Nahta, The Regional Director (Eastern Region) Ministry of Corporate Affairs , Kolkata filed herein on behalf of the Central Government and upon hearing Mr. Rajesh Singh , Advocate for the petitioner Companies , and Mr. J . Banerjee , Advocate for the Central Government and it appearing from the reports of the Chairpersons that the proposed Scheme of Amalgamation has been approved unanimously by the Shareholders of the said transferee Company and the said transferor Company in accordance with law and in view of no objection granted by

the Central Government for sanctioning the Scheme.

This Court doth hereby sanction the proposed Scheme of Amalgamation set forth in Annexure 'A' of the petition and specified in the Schedule 'A' hereto and doth hereby declare the same to be binding with effect from first day of April in the year of two thousand Nine (hereinafter referred to as the said transfer date) on the said transferor Company and the said transferee Company and their respective shareholders and all concerned.

This Court doth Order:-

1. that all the properties , rights and interest of the said transferor Company including those specified in the first, second and third parts of the Schedule 'B' hereto be transferred from the said transfer date and vest without further act or deed to the said transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the said transferee Company for all the estate and interest of the said transferor Company therein but subject nevertheless its all charges now affecting the same , and
2. that all the liabilities and duties of the said transferor Company be transferred from the said transfer date without further act or deed to the said 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 said transferee Company, and
3. that all the proceedings and / or suits and / or appeals now pending by or against the said transferor Company shall be continued by or against the said transferee Company, and
4. that the said transferor Company and the said transferee Company do within a period of thirty days from the date of obtaining the Certified copy of this order cause the same to be delivered to the Registrar of Companies, West Bengal for registration, and
5. that the Official Liquidator of this Hon'ble High Court do file a report under Second proviso to section 394(1) of the Companies Act, 1956 in respect of the said transferor Company within a period of three months from the date hereof , and
6. that the said Official Liquidator do forthwith serve a copy of the said report filed by him as aforesaid upon Rajesh Singh the Advocate – on- Record for this said petitioner Companies after filing of the said report with this Hon'ble Court , and
7. that leave be and the same is hereby granted to the said transferee company to apply for the Dissolution without Winding up of the said transferor Company after filing of the said report by the said Official Liquidator, and
8. that leave be and the same is hereby granted to the said petitioner Companies to file the Schedule of Assets in respect of the said transferor company within a period of Sixty days from the date hereof , and
9. that in the event the said petitioner companies supply a Computerized print out of the said Scheme along with the Schedule of Assets in acceptable form to the Department, the Department concerned is hereby directed to append such

- computerized print out upon verification to the Certified Copy of this order without insisting on a hand written copy thereof, and
10. that the copy of affidavit filed by the Central Government in Court be kept on record, and
 11. that the said petitioner Companies do pay to the Central Government its costs of and incidental to this application at —— two hundred Gold Mohars being the Consolidated cost, and
 12. that the Company Petition no 251 of 2010 be and the same is hereby disposed of accordingly with the aforesaid directions.

Witness Mr. Jainarayan Patel, the Chief Justice at Calcutta aforesaid dated the third day of August in the year Two Thousand and Ten.

Rajesh Singh Advocates

S.S. Sarkar.....Advocate for the Central Government.

For Registrar

Schedule 'A' above referred to

SCHEME OF AMALGAMATION

ALKOM SPECIALITY COMPOUNDS LIMITED;

- WITH -

KALPENA INDUSTRIES LIMITED;

P A R T - I

DEFINITION : For the purpose of this Scheme :

1. **"TRANSFEROR COMPANY"** means ALKOM SPECIALITY COMPOUNDS LIMITED, a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 2B, Pretoria Street, Kolkata-700071 in the State of West Bengal;
2. **"TRANSFeree COMPANY"** means KALPENA INDUSTRIES LIMITED, a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 2B, Pretoria Street, Kolkata-700071 in the State of West Bengal.
3. **"TRANSFER DATE"** means the 1st day of April, 2009.
4. **"EFFECTIVE DATE"** means the date when the certified copy of the order sanctioning the Scheme of Amalgamation is filed with the Registrar of Companies, West Bengal, by both the Companies.
5. **"RECORD DATE"** means the date to be fixed by the Board of Directors of the Transferee Company for the purpose of issue of Shares of the Transferee Company to the Shareholders of the Transferor Company.
6. **"SCHEME"** or **"THE SCHEME"** or **"THIS SCHEME"** means this Scheme of Amalgamation in its present form submitted to the High Court, Calcutta or with any modification(s) made under clause no.3 of Part-IV of this Scheme.
7. **"THE ACT"** means the Companies Act, 1956.
8. **"THE COURT"** or **"THE HON'BLE HIGH COURT"** shall mean the Hon'ble High Court, Calcutta.

9. **“UNDERTAKING OF THE TRANSFEROR COMPANY”** means and includes:-

- (i) All the properties, assets and liabilities of the Transferor Company immediately before the Transfer Date.
 - (ii) Without prejudice to the generality of the foregoing clause, the said undertaking shall include all rights, powers, interests, authorities, privileges, liberties and all properties and assets, moveable or immovable, real or personal, corporeal or incorporeal, in possession or reversion, present or contingent or of whatsoever nature and wherever situate including land, buildings, office equipments, vehicles, inventories, sundry debtors, cash and bank balances, loans and advances, leases, tenancy and agency rights and all other interests and rights in or arising out of such properties together with all licences, trade marks, import entitlements and other quotas, if any, held/ applied for or as may be obtained hereafter by the Transferor Company or which the Transferor Company is entitled to and all debts, liabilities, duties and obligations of the Transferor Company of whatsoever kind.
10. Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed.

W H E R E A S :

- 1. The Transferor Company is engaged in the business of manufacturing of XLPE compound and the Transferee Company are engaged in the business of manufacturing of XLPE compound, PVC compound, Hawai Chappal & PVC Sole.
- 2. For the purposes of better, efficient and economical management, control and running of the business of the undertakings concerned and for administrative convenience and to obtain advantage of economy of large scale and to broad base the present business, the present Scheme is proposed to amalgamate the Transferor Company with the Transferee Company.

PART - II

PRESENT CAPITAL STRUCTURE:

- A. The Authorised Share Capital of TRANSFEROR COMPANY is Rs.10,00,00,000/- divided into 1,00,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs.9,40,98,600/- divided into 94,09,860 Equity Shares of Rs.10/- each fully paid-up.

- B. The Authorised Share Capital of the TRANSFeree COMPANY is Rs.20,00,00,000/- divided into 2,00,00,000 Equity Shares of Rs.10/- each. The Issued, Subscribed & Paid-up Share Capital is Rs. 11,55,36,000/- divided into 1,15,53,600 Equity Shares of Rs.10/- each fully paid-up.

P A R T – III

TRANSFER OF UNDERTAKING OF TRANSFEROR COMPANY

1. With effect from the Transfer Date, the undertakings of the Transferor Company together with its assets and liabilities shall without further act or deed be transferred to and be vested in or deemed to have been transferred to and vested in the Transferee Company pursuant to Section 394(2) of the Companies Act, 1956 (hereinafter called “the Act”) subject however, to all charges, lien, mortgages, if any, then affecting the same or any part thereof as per the Orders of the Hon'ble High Court, provided, however that such charges, lien, mortgages, encumbrances shall be confined only to the related assets or part thereof as may be encumbered by the Transferor Company and transferred to and vested in the Transferee Company on and from the Transfer Date and no such encumbrances shall extend over or apply to any other asset(s) or property(ies) of the Transferee Company. Any reference in any security documents or arrangements (to which any of the Transferor Company is a party) to any asset(s) property (ies) of the Transferor Company, it shall be so construed to the end and intent that such security shall not extend or be deemed to extend to any of the other asset(s) or property(ies) of the Transferee Company.
2. The benefit of all statutory and regulatory permissions, licences from Government & Semi-Government or Autonomous Bodies etc. including all statutory licences, permissions or approvals or consents to carry on the operations in the Transferor Company shall vest in and become available to Transferee Company pursuant to the Scheme and shall always be deemed to have been issued to the Transferee Company and the concerned statutory authorities and licensors shall endorse and/or mutate and/or record the same, upon the filing of this Scheme as sanctioned with such authorities and licensors, so as to empower and facilitate the transfer and vesting of the Transferor Company's undertaking in the Transferee Company.
3. It is expressly provided that in respect of such assets as are movable in nature including investments or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred without requiring any deed or instrument for the same and shall become the property of the

Transferee Company accordingly.

4. Upon the coming into effect of the Scheme, all motor vehicles and land & buildings, if any, of any nature whatsoever comprised in or relatable to the Transferor Company shall vest in the Transferee Company and the appropriate Governmental and Registration Authorities shall mutate and register the vehicles and land & buildings in the name of the Transferee Company as if the vehicles, land & buildings had originally been registered in the name of the Transferee Company.
5. Any profit or income accruing to and of the Transferor Company and all costs, charges and expenses incurred and/or all accrued losses as also all losses arising or suffered by them since the Transfer Date shall for all purposes be treated as the income, profits, costs, charges expenses or losses as the case may be of the Transferee Company.

LEGAL PROCEEDINGS

6. If any suit, appeal or any other proceedings of whatsoever nature (hereinafter called "The Proceedings") by or against the Transferor Company are pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertakings of the Transferor Company or any thing contained in this scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made.
7. The Transfer and vesting of assets and liabilities under Clause No.1 to 5 hereof and the continuance of the proceedings by or against the Transferee Company under Clause No.6 hereof shall not affect any transactions or proceedings already concluded by the Transferor Company on and after the Transfer Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by or on behalf of the Transferor Company as acts, deeds and things done and executed by or on behalf of the Transferee Company.

CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

8. Subject to the provisions contained in this Scheme, all contracts, deeds bonds, agreements and other documents and instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation 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 instead of the Transferor Company, the Transferee Company had been a party thereto. Further upon coming into effect of this Scheme, all benefits/ credits of Income Tax (including credits of Minimum Alternate Tax as are available under section 115JAA of the Income Tax Act, 1961) and /or any other direct or indirect tax benefits available to the Transferor Company before amalgamation shall continue to be available to the Transferee Company.

TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

9. The Transferee Company shall takeover all the employees of the Transferor Company without interruption in service and on terms no less favourable to them as then applicable to them. The service of the said employees with the Transferor Company prior to such taking over will not be treated as having been broken for the purpose of Provident Fund, Gratuity and other benefits but will be reckoned for all purposes from the date of their respective appointments with the Transferor Company.

ISSUE OF SHARES BY THE TRANSFEE COMPANY

10. Upon the Scheme being sanctioned by the Hon'ble High Court at Calcutta and upon transfer being taken place as stipulated under different Clauses hereof :-
 - (a) The Transferee Company shall without further application issue and allot to every Equity Shareholder of the Transferor Company as on record date, 1 (One) Equity Share of Rs.10/- each credited as fully paid-up in the Transferee Company for every 10 (Ten) Equity Shares of Rs.10/- each fully paid-up held by such Equity Shareholder in the Transferor Company.
 - (b) All the Equity Shares of Transferee Company to be issued and allotted to every member of Transferor Company as aforesaid shall rank pari-passu in all respects with the existing Equity Shares in the Transferee Company;
 - (c) No certificate(s) shall be issued in respect of fractional entitlements, if any, to which the shareholder of the Transferor Company may be entitled on issue and allotment of shares of the Transferee Company in terms of Clauses (a) above. The Board of Directors of the Transferee Company shall, instead consolidate the fractional entitlements of the Transferor Company and thereupon issue and allot Equity Shares in lieu thereof to a Director or nominee of the Transferor Company or such other person as the Board of Directors of the Transferee Company shall appoint in this behalf who shall

hold the shares interest on behalf of the members of the Transferor Company entitled to fractional entitlements with the express understanding that such director(s), nominee(s) or person(s) shall sell the same to such person at such price, as they deem fit and pay the net sale proceeds to the Transferee Company who shall thereupon distribute such net sale proceeds to their members in proportion to their respective fractional entitlements. Final fraction after such consolidation, if any, will be ignored.

- (d) The members of the Transferor Company shall have the option, exercisable by notice in writing, by them to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company, to receive, either in certificate form or in dematerialized form, the New Equity Shares of the Transferee Company in lieu thereof in accordance with terms hereof. In the event such notice is not received by the Transferee Company in respect of any of the members, the New Equity Shares of the Transferee Company shall be issued to such members in certificate form. Those members exercising the option to receive the shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. The Transferee Company shall issue and directly credit the dematerialized securities account of such members with the new equity shares of the Transferee Company. Notwithstanding anything to the contrary in this Scheme, upon the new equity shares in the Transferee Company being issued and allotted by it to the members of the Transferor Company as on Record Date, the share certificates in relation to the Equity Shares held by them in the Transferor Company shall stand cancelled. Wherever applicable, the Transferee Company shall instead of requiring the surrender of the share certificates of the Transferor Company, directly issue and dispatch the new share certificates of the Transferee Company in lieu thereof;
- (e) All the shareholders of the Transferor Company shall accept the Share(s) of the Transferee Company to be allotted in terms of this Scheme as sanctioned by Hon'ble High Court at Calcutta in lieu of their existing shareholding in the Transferor Company;
- (f) All the shares held by the Transferee Company in the Transferor Company or by the Transferor Company in the Transferee Company shall stand cancelled;
- (g) Subject to orders being made by the Hon'ble High Court at Calcutta, the Transferor Company shall be dissolved without winding up;

LISTING OF SHARES

11. The Transferee Company shall upon sanction of the Scheme and upon consequent allotment of Equity Shares to the Shareholders of The Transferor Company in terms of the Scheme, apply to the concerned Stock Exchange(s) for listing of these newly allotted shares and the concerned Stock Exchange(s) shall on receipt of such application promptly list such newly allotted shares for trading in the Stock Exchange(s) to facilitate marketability of such shares subject to compliance of Listing Agreement issued by the concerned Stock Exchange for listing of Shares.

ACCOUNTING TREATMENTS

12. The account shall be taken of the Assets and Liabilities of the Transferor Company as on the date immediately preceding the Transfer Date and all the Assets and Liabilities of the Transferor Company shall be incorporated in the Books of Account of the Transferee Company at the respective Book Values thereof as appearing in the Books of Account of the Transferor Company. The difference between the value of net assets of the Transferor Company on the one hand and the Face Value of Shares to be allotted to the Shareholders of the Transferor Company as above on the other hand, shall be treated in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India.

PART – IV

APPLICATIONS TO THE HIGH COURT

1. The Transferor Company and the Transferee Company shall apply to the Hon'ble High Court at Calcutta for obtaining the said High Court's sanction of this Scheme and for the consequent dissolution without winding up of the Transferor Company.
2. Subject to orders being made by the Hon'ble High Court at Calcutta, the Transferor Company shall be dissolved without winding up;

MODIFICATIONS / AMENDMENTS TO THE SCHEME

3. The Board of Directors of the Transferor Company and the Transferee Company or any person authorised by them may assent on behalf of all concerned to any modification to this Scheme of Amalgamation or to any condition which the Hon'ble High Court at Calcutta or the Government or any other authorities may impose.

SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

4. This Scheme is conditional upon and subject to the followings:
 - (a) The Scheme being sanctioned by the Hon'ble High Court at Calcutta.
 - (b) The certified copy of the order of the Hon'ble High Court at Calcutta sanctioning the Scheme, being filed with the Registrar of Companies, West Bengal by the Transferee Company and the Transferor Company.

CONDUCT OF BUSINESS

5. Until the Scheme is sanctioned and transfer is effected as aforesaid, the Transferor Company shall carry on their business in the usual course and shall be deemed to be carrying on the said businesses for and on behalf of and in trust for the Transferee Company with effect from the Transfer Date.
6. Any profit or income accruing or arising to the Transferor Company and all costs, charges and expenses incurred and/or all accrued losses and also all losses arising or suffered by them since the Transfer Date shall for all purposes be treated as the income, profits, costs, charges expenses or losses as the case may be of the Transferee Company.

EFFECT ON NON RECEIPT OF APPROVALS / SANCTIONS

7. In the event of any of the said sanctions/ approvals not being obtained and or the Scheme not being sanctioned by the High Court and/or the order or orders not being passed as aforesaid, the Scheme shall become null and void and the Transferee Company shall bear and pay all costs, charges and expenses for and in connection with the Scheme.

EXPENSES CONNECTED WITH THE SCHEME

8. All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and implementing / completing the terms and provisions of the Scheme and or incidental to the completion of amalgamation of the said Undertakings of the Transferor Company shall be to the account of the Transferee Company.

MISCELLANEOUS

9. Upon sanction of the Scheme, the Authorised Share Capital of Transferee Company would automatically increase to the extent of combined Authorised Share Capital of the Transferor Company and the Transferee Company, without any further act or deed on the part of the Transferee Company including payment of stamp duty and fees to the Registrar of Companies.
10. The Transferor Company and the Transferee Company shall have liberty to apply to the Hon'ble High Court of Calcutta for necessary direction to remove all difficulties, if any, in implementing the Scheme.
11. The Transferor Company and the Transferee Company shall also take such other steps as may be necessary or expedient to give full and formal effect to the provisions of this Scheme.

Schedule 'B' above referred to

SCHEDULE OF ASSETS

Schedule of Assets as at 31st March, 2009 of Alkom Speciality Compounds Limited, The Transferor Company to be transferred to and vested in Kalpena Industries Limited, the Transferee Company.

PART - I

A short Description of the Freehold Properties of Alkom Speciality Compounds Limited :

Land	Rs. 71,43,566.00
(Area 10300 sq. mt., situated at A-1163, RIICO Industrial Area, Phase - IV, Dist - Alwar, Bhiwadi - 301019, Rajasthan)	
Buildings	Rs. 3,31,33,632.69
(Area 5593.76 sq. mt. situated at A-1163, RIICO Industrial Area, Phase - IV, Dist - Alwar, Bhiwadi - 301019, Rajasthan)	

PART - II

A short Description of the Leasehold Properties of Alkom Speciality Compounds Limited - Nil

PART - III

(A short Description of all stocks, shares, debentures and other chooses in action of the Transferor Company - Alkom Speciality Compounds Limited)

Alkom Speciality Compounds Limited

Schedule of Assets as at 31st March, 2009

		TOTAL
A.	Fixed Assets :	
	Air Conditioner	3,56,863.06
	Computer	1,34,481.32
	Cycle	3,350.45
	Furniture & Fixture	12,27,151.73
	Motor Cycle	23,135.63
	Plant & Machinery	4,76,61,846.49
	Printer & Fax	77,632.24
	Office Equipment	1,55,230.40
	Motor Car	10,47,315.77
		5,06,87,007.09

B.	Capital work in progress	5,10,95,344.97
C.	Inventories	72,98,626.00
D.	Sundry Debtors	7,16,20,533.98
E.	Cash & Bank Balance	1,41,94,496.78
F.	Advance Payment of Fringe Benefit Tax	47,000.00
G.	Tax Deducted at Sources	9,958.00
H.	Sundry Deposits	18,24,200.00
I.	Prepaid Expenses	3,60,417.00
J.	Other Advances	5,10,437.11
K.	Advance to Suppliers	1,78,67,074.68
L.	Balance with Central Excise Authorities	91,80,751.42
		<hr/>
		22,46,95,847.03
		<hr/>

Company Petition 275 No. of 2011
 Connected with
Company Application 285 No. of 2011

IN THE HIGH COURT AT CALCUTTA

Original Jurisdiction

President of the Union of India

In the matter of the Companies Act, 1956

-And-

In the matter of

An application under section 391(2) and
394 of the said Act.

-And-

In the matter of

Kalpena Industries Limited, a Company
incorporated under the Companies Act,
1956 and having its Registered Office at
2B Pretoria Street, Kolkata-700071 within
the jurisdiction aforesaid.

- And -

In the matter of

Bavaria Poly Private Limited, a Company
Incorporated under the Companies Act,
1956 and having its Registered Office at
114/5 Hazra Road, Kolkata-700026 within
the Jurisdiction aforesaid.

1. Kalpena Industries Limited
2. Bavaria Poly Private Ltd.

Petitioners

The above petition coming on for hearing on this day upon reading the said petition, the order dated twenty-first day of March in the year of Two Thousand Eleven modified by order dated twenty-ninth day of March in the year of Two Thousand Eleven, whereby the abovenamed petitioner company no.1 Kalpena Industries Ltd.(hereinafter referred to as the said transferee company) and the abovenamed petitioner company no.2 Bavaria Poly Private Ltd.(hereinafter referred to as the said transferor company) were ordered to convene

separate meetings of their equity shareholder for the purpose of considering and if thought fit, approving with or without modification the proposed scheme of amalgamation of the said transferor company with the said transferee company and annexed to the Joint Affidavit of Indar Chand Dakalia and Jitendra Tiwari filed on Sixteenth day of March in the year of Two Thousand Eleven. The Business Standard and the Pratidin both dated fourth day of April in the year of Two Thousand Eleven each containing the advertisement of the notices convening the said meetings directed to be held by the said order dated Twenty-first day of March in the year of Two Thousand Eleven modified by an order dated Twenty-ninth day of March in the year of Two Thousand Eleven, the affidavit of Rajendra Banerjee filed on Nineteenth day of April in the year of Two Thousand Eleven showing the publication and dispatch of the said notice convening the said meetings, the reports of the Chairpersons of the said meetings dated Twenty-eighth day of April in the year of Two Thousand Eleven and Fourth day of May in the year of Two Thousand Eleven as to the result of the said meetings and upon reading on the part of the said petitioner-companies, an affidavit of Swapan Kumar Shit filed on Sixth day of June in the year of Two Thousand Eleven and the exhibit therein referred to and upon reading the order made herein and dated the Sixteenth day of May in the year of Two Thousand Eleven and an affidavit of Indar Chand Dakalia filed on Twenty-first day of July in the year of Two Thousand Eleven and the exhibit therein referred to and upon reading on the part of the Central Government an affidavit of Dr. Nevrang Saini, The Regional Director(Eastern Region), Ministry of Corporate Affairs, Kolkata filed on Fourteenth day of July in the year of Two Thousand Eleven. And upon hearing Mr. S.N.Mookherjee, Senior Advocate for the said petitioner companies and Mr. R.Lall, Advocate for the Central Government and it appearing from the said reports of the Chairpersons that the proposed scheme of amalgamation has been approved by the requisite majority of the equity shareholders of the said transferee company and the said transferor company in accordance with law and Justice Central Government has no objection for passing an order sanctioning the said scheme in favour of the said petitioner companies.

This Court doth hereby sanction the proposed Scheme of Amalgamation set forth in Annexure of the petition herein and specified in the Schedule of hereto and doth hereby declare the same to binding with effect from First day of April in the year of Two Thousand Ten(hereinafter referred to as the said Appointed Date) or the said transferee company and the said transferor company and their respective shareholders and all concerned.

This Court doth Order

1. That all the properties, rights and interests of the said transferor company including those specified in the first, second and third parts of the Schedule B hereto be transferred from the said appointed date and vest without further act or deed to the said transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and vest in the said transferee company for all the estate and interest of the said transferor company therein but subject nevertheless to all charges now effecting the same, and
2. That all the liabilities and duties of the said transferor company be transferred from the said appointed date without further act or deed to the said 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 said transferee company, and

3. That all the proceedings and/or suits and /or appeals pending by or against the said transferor company shall be continued by or against the said transferee company, and
4. That the said Transferee Company do without further application issue and allot shares in the said transferee company to the shareholders of the said transferor company to which they are entitled under the said Scheme of Amalgamation, and
5. That the said petitioner companies do within a period of thirty days from the date hereof cause the certified copy of this order to be delivered to the Registrar of Companies, West Bengal for registration respectively, and
6. That the official liquidator attached to this Hon'ble Court do file a report under second proviso to section 394(2) of the Companies Act, 1956 in respect of the said transferor company within a period of four months from the date of service of this order, and
7. That leave be and the same is hereby given to the said transferee company to apply for the dissolution without winding up of the said transferor company after filing of the said report by the said official liquidator, and
8. That leave be and the same is hereby granted to the said petitioner companies to file the Schedule of Assets of the said transferor company within a period of three weeks from the date hereof, and
9. That any person interested shall be at liberty to apply to this Hon'ble Court in the above matter for any directions that may be necessary, and
10. That in the event the said petitioner companies supply a legible computerized print out of the Scheme and the Schedule of Assets in acceptable form to the department the concerned department with append such computerised print out , upon verification to the certified copy of this order without insisting on a handwritten copy thereof, and
11. That the said petitioner companies do pay to the Central Government its cost of and incidental to this application assessed at Two Hundred Gold Mohors, and
12. That the Company Petition No. 275 of 2011 be and the same is hereby allowed with the aforesaid directions.

Witness Mr.Jainarayan Patel, the Chief
Justice at Calcutta aforesaid the
Twenty-eighth day of July in the year
of Two Thousand Eleven.

Jhunjhunwala & Co.
S.S.Sarkar

Advocate
Advocate

for Registrar

**SCHEME OF ARRANGEMENT FOR AMALGAMATION OF
BAVARIA POLY PRIVATE LIMITED
WITH
KALPENA INDUSTRIES LIMITED**

PART-I : DEFINITIONS

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

- A. "TRANSFEREE COMPANY" means Kalpena Industries Limited a company incorporated under the Companies Act, 1956 and having its Registered Office at 2B, Pretoria Street, Kolkata-700 071.
- B. "TRANSFEROR COMPANY" means Bavaria Poly Private Limited formerly known as Bavaria Associates Private Limited a company incorporated under the Companies Act, 1956 and having its Registered Office at 114/5, Hazra Road, Kolkata-700 026.
- C. "APPOINTED DATE" means the 1st day of April, 2010.
- D. "EFFECTIVE DATE" means the date when the certified copy of the order of the High Court sanctioning this Scheme is filed with the Registrar of Companies, West Bengal, by both the companies.
- E. "THE ACT" means the Companies Act, 1956.
- F. "UNDERTAKING OF THE TRANSFEROR COMPANY" means and includes:
 - i) All the properties, assets and liabilities of the TRANSFEROR COMPANY immediately before the amalgamation and without prejudice to the generality of the foregoing clause the said undertaking includes :
 - a) all assets, properties, moveable and immoveable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible of whatsoever nature, wheresoever situated including land, buildings, sheds, godowns, warehouse, offices, plant and machineries, Vehicles, equipment, furniture investments, sundry debtors, inventories, cash and bank balances, bills of exchange, deposits, loans and advances of the TRANSFEROR COMPANY;
 - b) trade marks, brands, goodwill, designs, copy rights, patents and all other intellectual rights and properties of the TRANSFEROR COMPANY ;
 - c) all permits, quotas, rights, industrial and other licences, approvals, consents, tenancies, bank accounts, privileges, all other rights, benefits and entitlements, lease rights (including the benefit of any applications made therefore), licences, including all benefits of SEZ Unit, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, e-mail connections, communication facilities and installations, utilities, electricity and other

services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection of the TRANSFEROR COMPANY;

- d) all records, files, papers, designs, and process information, computer programmes, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customer pricing information, and other records, whether in physical form or electronic form of the TRANSFEROR COMPANY;
- e) all present and future liabilities, obligations and duties of the TRANSFEROR COMPANY of whatsoever kind and
- f) all employees of the TRANSFEROR COMPANY.

- G. "PROCEEDINGS" include any suit, appeal or any legal proceeding of whatsoever nature in any Court of law, or tribunal or any judicial or quasi judicial body or any assessment proceeding before any authority under any law and also arbitration proceeding.
- H. "RECORD DATE" means a date to be fixed by the Board of Directors of the TRANSFEREE COMPANY in consultation with the Board of Directors of the TRANSFEROR COMPANY for the purpose of issue of shares by the TRANSFEREE COMPANY to the shareholders of the TRANSFEROR COMPANY under this Scheme.

PART-II : PRESENT CAPITAL STRUCTURE

- A. The Authorised Share Capital of the TRANSFEREE COMPANY is Rs.30,00,00,000/- divided into 3,00,00,000 Equity Shares of Rs.10/- each. The issued, subscribed and paid up share capital of the TRANSFEREE COMPANY as on the Appointed Date was Rs.11,55,36,000/- divided into 1,15,53,600 Equity Shares of Rs.10/- each all fully paid up. Subsequently on 12 August 2010 and 17 September 2010 the TRANSFEREE COMPANY has issued and allotted 60,00,000 equity shares of Rs.10/- each on conversion of warrants. Again on 22 September 2010 the TRANSFEREE COMPANY has issued and allotted 9,40,986 equity shares of Rs.10/- each to the shareholders of erstwhile Alkom Speciality Compounds Ltd. in pursuance of a scheme of amalgamation sanctioned by the Hon'ble Calcutta High Court and the issued, subscribed and paid up share capital of the TRANSFEREE COMPANY has increased to Rs.18,49,45,860/- divided into 1,84,94,586 equity shares of Rs.10/- each all fully paid up.
- B. The Authorised share capital of the TRANSFEROR COMPANY is Rs.60,00,000/- divided into 6,00,000 Equity Shares of Rs.10/- each. The issued, subscribed and paid up share capital of the TRANSFEROR COMPANY is Rs.56,20,500/- divided into 5,62,050 Equity Shares of Rs.10/- each all fully paid up.

PART-III : BACKGROUND

The TRANSFEROR COMPANY is engaged in the business of manufacturing and dealing in plastic agglomerates. The TRANSFEREE COMPANY is engaged in the business of manufacturing and trading in PVC compounds, XLPE compound, Hawaii Chappal , PVC Sole and other poly vinyl goods and there is a synergy between the business of the two companies and it is therefore proposed to amalgamate the TRANSFEROR COMPANY with the TRANSFEREE COMPANY on the terms hereinafter stated.

PART-IV : SCHEME

1.0. TRANSFER & VESTING

- 1.1. With effect from the Appointed Date, the Undertaking of the TRANSFEROR COMPANY shall without further act or deed be transferred to and be vested or deemed to be vested in the TRANSFEREE COMPANY pursuant to Section 394(2) of the Act subject to all charges, liens, mortgages, lispendens, if any, then affecting the same or any part thereof.
- 1.2. If any proceedings by or against the TRANSFEROR COMPANY be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the TRANSFEROR COMPANY or anything contained in this scheme but the proceedings including those by the creditors of the TRANSFEROR COMPANY may be continued, prosecuted and enforced by or against the TRANSFEREE COMPANY in the same manner and to the same extent as it would be or might have been continued prosecuted and enforced by or against the TRANSFEROR COMPANY if this scheme had not been made.
- 1.3. The transfer and vesting of properties and liabilities under clause 1.1 hereof and the continuance of the proceedings by or against the TRANSFEREE COMPANY under clause 1.2 hereof shall not affect any transaction or contract already concluded by the TRANSFEROR COMPANY on and after the Transfer Date to the end and intent that the TRANSFEREE COMPANY accepts and adopts all acts, deeds and things done and executed by or on behalf of the TRANSFEROR COMPANY as acts deeds and things done and executed by or on behalf of the TRANSFEREE COMPANY.
- 1.4. Subject to other provisions contained in this scheme, all contracts, deeds, bonds, agreements, and other documents and instruments of whatsoever nature to which the TRANSFEROR COMPANY is a part subsisting or having effect immediately before the amalgamation 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 instead of the TRANSFEROR COMPANY, the TRANSFEREE COMPANY had been a party thereto.
- 1.5. The employees of the TRANSFEROR COMPANY, shall become the employees of the TRANSFEREE COMPANY without interruption in service and on basis of continuity of service and on terms not less favourable to them than those applicable to them on the Effective Date.

- 1.6. The authorised share capital of the TRANSFEROR COMPANY, amounting to Rs. 60,00,000/- shall also stand transferred to and vested in the TRANSFEREE COMPANY and shall form part of the authorised share capital of the TRANSFEREE COMPANY and, accordingly on the Effective Date the authorised share capital of the TRANSFEREE COMPANY shall stand increased from Rs.30,00,00,000/- to Rs.30,60,00,000/-.
- 1.7. All Taxes (including without limitation, Income tax, Sales Tax, Service Tax, Vat etc.) paid or payable by the TRANSFEROR COMPANY whether by way of deduction at source or advance taxes or howsoever otherwise in respect of the profits or activities or operation of the business from the Transfer Date shall be deemed to be paid by the TRANSFEREE COMPANY and shall in all assessments and proceedings, be dealt with accordingly.

2.0 EFFECTIVE DATE

- 2.1. The Scheme shall become effective and transfers shall be deemed to have taken place with effect from the Appointed Date upon
- (a) the Scheme being approved by requisite majority of the shareholders of the TRANSFEROR COMPANY and the TRANSFEREE COMPANY and thereafter, sanctioned by the Hon'ble Calcutta High Court; and
 - (b) the certified copies of the order of the Hon'ble Calcutta High Court sanctioning this Scheme is filed with the Registrar of Companies, West Bengal.
- 2.2. With effect from the Appointed Date and upto and including the Effective Date :
- (a) The TRANSFEROR COMPANY shall carry on and be deemed to have carried on their respective business and activities and shall be deemed to have held and stand possessed of and shall hold and stand possessed of all their respective assets and properties for and on account of and in trust for the TRANSFEREE COMPANY.
 - (b) All the profits or incomes accruing or arising to the TRANSFEROR COMPANY or expenditure or losses arising or incurred by the TRANSFEROR COMPANY on and from the Appointed Date upto the Effective Date shall for all the purpose be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses, as the case may be, of the TRANSFEREE COMPANY.

3.0 ISSUE OF SHARES BY THE TRANSFEREE COMPANY

- 3.1. Approval of this Scheme by the shareholders of the TRANSFEREE COMPANY by requisite majority under Section 391 of the Act shall also amount to passing of a special resolution by the shareholders of the TRANSFEREE COMPANY under Section 81(1A) of the Act for issue and allotment of shares to the shareholders of the TRANSFEROR COMPANY under this Scheme and for this purpose no separate resolution under Section 81(1A) of the act shall be required to be passed by the shareholders of the TRANSFEREE COMPANY.
- 3.2. Immediately after the Effective Date and transfers taking place as stipulated under clause 1 hereof the TRANSFEREE COMPANY shall, without further act, deed or

application, issue and allot to every holder in the TRANSFEROR COMPANY on a Record Date as may be fixed by the Board of Directors of the TRANSFEREE COMPANY two Equity shares of Rs.10/- each credited as fully paid up in the TRANSFEREE COMPANY for every three Equity shares of Rs.10/- each fully paid up and held by such shareholder in the TRANSFEROR COMPANY. It is made clear that the said swap ratio has been determined after taking into account additional 9,40,896 equity shares of Rs.10/- each all fully paid up issued and allotted by the Board of Directors of the TRANSFEREE COMPANY to the shareholders of erstwhile Alkom Speciality Compounds Limited.

- 3.3. The TRANSFEREE COMPANY, in the usual course of business, shall not issue any further equity share prior to the Effective Date. Provided however, if it becomes necessary for the TRANSFEREE COMPANY to issue further equity shares prior to the Effective Date then the shareholders of the TRANSFEROR COMPANY shall also be entitled to the additional equity shares in the TRANSFEREE COMPANY proportionately.
- 3.4. No Shareholder of the TRANSFEROR COMPANY shall be issued or allotted any fractional shares consequent upon amalgamation and all such fractional shares shall be consolidated to the nearest whole number and issued and allotted by the Board of Directors of the TRANSFEREE COMPANY to two of its officers as the trustees for the benefit of the equity shareholders of such fractional shares with a direction to sell the same in the market and to distribute the net sale proceeds thereof as reduced by the costs and expenses proportionately amongst the shareholders of the TRANSFEROR COMPANY entitled to such fractional shares.
- 3.5. All the Equity Shares to be issued and allotted as aforesaid shall rank pari passu in all respects with the existing Equity shares in the TRANSFEREE COMPANY and shall be entitled to full dividend, if any, declared by the TRANSFEREE COMPANY for the period on and from the Appointed Date.
- 3.6. The shares held by the TRANSFEREE COMPANY in the TRANSFEROR COMPANY and vice versa, if any, shall stand cancelled.
- 3.7. All the shareholders of the TRANSFEROR COMPANY other than the shares liable to be cancelled as aforesaid shall accept the shares to be allotted as aforesaid in lieu of their shareholding(s) in the TRANSFEROR COMPANY.
- 3.8. The shares of the TRANSFEROR COMPANY shall cease to be transferable or tradeable on the Record Date and shall stand cancelled and extinguished upon allotment of the shares by the TRANSFEREE COMPANY as aforesaid.
- 3.9. The shareholders of the TRANSFEROR COMPANY who are holding shares in physical form shall have the option exercisable by notice in writing by them to the TRANSFEREE COMPANY on or before such date as may be determined by the Board of Directors of the TRANSFEREE COMPANY or a Committee thereof to receive the shares in the TRANSFEREE COMPANY either in physical form or in dematerialised form in accordance with this scheme. If no such option is received by the TRANSFEREE COMPANY on or before such notified date then the TRANSFEREE

COMPANY shall issue the shares to such members of the TRANSFEROR COMPANY in physical form. The members exercising the option to receive shares in dematerialised form shall be required to have an account with a depository participant and shall provide details thereof and such other information as may be required by the TRANSFEREE COMPANY.

- 3.10. The shares of the TRANSFEREE COMPANY are listed in the Bombay Stock Exchange and other Regional Stock Exchanges. The TRANSFEREE COMPANY, soon after issue and allotment of shares to the shareholders of the TRANSFEROR COMPANY in accordance with this Scheme, shall make an application to the Bombay Stock Exchange and other Regional Stock Exchanges for listing of the additional issued shares in the TRANSFEREE COMPANY at the said Stock Exchanges.
- 3.11. All assets of the TRANSFEROR COMPANY shall be transferred to the TRANSFEREE COMPANY at the books value and such amalgamation including treatment of reserves on amalgamation shall be carried out in accordance with the Accounting Standard AS-14.

4.0 MISCELLANEOUS

- 4.1. On the Effective Date, the Board of Directors of the TRANSFEROR COMPANY shall stand dissolved and the TRANSFEREE COMPANY shall take appropriate steps for dissolution without winding up of the TRANSFEROR COMPANY.
- 4.2. Immediately after the Effective Date the Banking accounts of the TRANSFEROR COMPANY shall be operated by the TRANSFEREE COMPANY in such manner as may be decided by the Board of Directors of the TRANSFEREE COMPANY. The name of all such Banking accounts shall also be changed to the name of the TRANSFEREE COMPANY and notwithstanding such change in the name, the TRANSFEREE COMPANY shall be entitled to deposit and encash all account payee cheques and negotiable instruments issued in the name of the TRANSFEROR COMPANY by operating such Banking accounts.
- 4.3. The TRANSFEREE COMPANY shall pay all the costs, charges and expenses of and incidental to this scheme.
- 4.4. The Board of Directors of the TRANSFEREE COMPANY may assent on behalf of all concerned to any modification to this Scheme or to any condition which the Hon'ble Calcutta High Court or any other authority may impose and the said Board of Directors may do all such acts, things, and deeds as they may, in their sole discretion, think fit for the purpose of effectively carrying out and implementing this scheme.

Schedule 'B' above referred to

SCHEDULE OF ASSETS

Schedule of Assets as on the Appointed Date viz., 1st day of April 2010 of BAVARIA POLY PRIVATE LIMITED, the Transferor Company to be transferred to and vested in Kalpena Industries Limited, the Transferee Company.

PART - I

Short Description of the Freehold Properties of the Transferor Company (Bavaria Poly Private Limited) -

Particulars	Amount in Rs.
Plant & Machinery	1,92,15,850/-
Electrical Installation	58,94,510/-
Furniture & Fixture	3,64,699/-
Computer	1,12,021/-
Motor Car (Scorpio LX Hawx BS3 make) bearing RegistrationNo. WB-20-U-3885)	6,46,762/-
Inventories :-	
Raw Material	90,63,776/-
Finished Goods	66,06,583/-
Stock In Transit	53,13,148/-

PART - II

Short Description of the Leasehold Properties of the Transferor Company (Bavaria Poly Private Limited) -

ALL THAT pieces or parcels of land measuring 2,160 square metres more or less and being Plot no. 29, Sector 1, Village Simulberia, Mouja Bisra, District South 24-Parganas comprised within Falta Export Processing Zone on lease granted by the President of India and duly registered in the office of the District Sub Registrar IV Alipore and being Deed no 869 for the year 2000 together with a two storeyed building and other structure constructed thereon.

PART - III

Short Description of all stocks, shares, debentures and other chooses in action of the Transferor Company (Bavaria Poly Private Limited)

1. Letter of Approval bearing no. FSEZ/LIC/R-24/96/6624 dated 26th March, 1997 granted by the Government of India, Ministry of Commerce & Industry, Falta Special Economic Zone under Rule 19 of Special Economic Zone Rules 2006 for setting up of a manufacturing Unit at Falta Special Economic Zone (SEZ) for Plastic/ PVC Granules/Garbage Bags / Films etc. together with right to obtain successive renewals under Rule 19(6) of the said Rules.
2. Green Card No. 497 issued by Falta Special Economic Zone, Ministry of Commerce & Industries, Govt. of India, in connection with LOA / LOP No. FSEZ/LIC/R-24/ 96/6624 dated 26.03.1997.
3. Factory Licence No. 17169 bearing Reg. No.101-TP(S)/X/07 dated 01.12.2007 issued by Directorate of Factories, Govt. of West Bengal for its factory situated at Plot No. 29, Sector- I, Falta S.E.Z. P.O. Bisira, Dist. 24- PGS (S).
4. Consent to Establish (NOC) vide Memo No.447/64/WBPCB/ARO/NOC/HC(133)/09 dated 09/07/2010 granted by West Bengal Pollution Control Board Alipore.
5. Consent to Operate vide Memo No.57/30/WPB-SPL-R (378)/08 dated 11/02/2011 granted by West Bengal Pollution Control Board, Alipore.
6. Labour Registration Certificate No. 01/BOCW/ALC/FALTA/2011 dated 04.02.2011 granted under Building and other Construction Workers' (Regulation of Employment and Conditions of Service) Act, 1996, issued by Asst. Labour Commissioner, Govt. of West Bengal, Falta SEZ. 24 Pgs. (S).
7. Fire Licence No. 22860 of 2010-11 granted under West Bengal Fire Services Act, 1950.
8. Entrepreneurs Memorandum No. 190181202950 dated 17.02.2010 vide Memo No. 815 / Sub DIC BRP/24 Pgs.(s), issued by DIC, WB.
9. ESI code 41 00 036209 000 0205 allotted vide letter No. N/41 00 036209 000 0205/ins.-III dated 21st May, 2010.
10. Employees' Provident Fund code WB/ CA/54986 vide letter no. R-ENF/SPL/WB/CA/54986/CC-V/311 dated 20.01.2011, issued by Regional Provident Fund Commissioner, West Bengal.
11. Trade licence No. 3047 0900 1952 issued by Kolkata Municipal Corporation.
12. Certificate of Enrolment No ECS - 0159687 issued under the WB Sales Tax on Profession, Trades, Calling and Employment Act, 1979.
13. Certificate of Registration No RCS - 0040398 issued under the WB Sales Tax on Profession, Trades, Calling and Employment Act, 1979.

14. Central Sales Tax certificate of Registration No. 19603844240 - valid from 31.03.2008.
15. West Bengal VAT registration No. 19603844046, issued by Dy.Commissioner, Sales Tax, Alipur
16. Telephone No: 03174 222931 - Consumer No. 3203500.
17. Bank Accounts :

Dena Bank a/c no. 008111000197, Bhawanipore Branch, Kolkata Dena Bank a/c no. 030011023956, Park Street Branch, Kolkata HDFC Bank Ltd. A/c No. 01052320004964, U.N. Bramhachari Street Branch, Kolkata

The Royal Bank of Scotland N.V. A/c - 1658961, Camac Street Branch, Kolkata

	Particulars	Amount in Rs.
18.	Cash at Bank (including term deposit of Rs. 3320045/-)	1,23,58,595/-
19.	Cash in Hand	1,91,091/-
20.	Sundry Debtors	85,94,889/-
21.	Loans (M/s. Glostar Cables Ltd.)	1,54,16,096/-
22.	Advance Payment of Tax	
	Fringe Benefit Tax	2,100/-
	TDS (2009-10)	4,41,222/-
	TDS (2010-11)	3,36,420/-
23.	Sundry Deposits	
	Security Deposit for staff quarter	17,600/-
	Security Deposit for Telephone	5,000/-
	Security Deposit (WBSEB)	9,700/-
24.	Prepaid Expenses	5,05,732/-
25.	Other Advances	1,68,26,984/-

Form No. CAA.7

[Pursuant to section 232 and rule 20]

IN THE NATIONAL COMPANY LAW TRIBUNAL

KOLKATA BENCH

C.P. (CAA) No. 132/KB/2021

connected with

C.A. No. (CAA) No. 106/KB/2021

In the matter of:

The Companies Act, 2013;

And

In the matter of :

Section 230 read with Section 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013;

And

In the matter of:

KKALPANA INDUSTRIES (INDIA) LIMITED, having its registered office at 2B,
Pretoria Street, Kolkata – 700 071.

... Demerged Company

And

In the matter of:

DDEV PLASTIKS INDUSTRIES LIMITED, having its registered office at 2B, Pretoria Street, Kolkata – 700 071;

... Resulting Company

And

1. KKALPANA INDUSTRIES (INDIA) LIMITED

2. DDEV PLASTIKS INDUSTRIES LIMITED

PETITIONERS

Order Under Sections 230 and 232 of the Companies Act, 2013

The above Company Petition coming on for further hearing on the 22nd February, 2022 and upon hearing the advocate appearing for the Petitioners and upon hearing Deputy Director of Regional Directorate, Eastern Region representing the Central Government the final order was passed on the 04th March, 2022.

- 1 Heard the Learned Counsel for the Petitioner Companies. No objector has come before this Tribunal to oppose the Scheme nor has any party controverted any averments made in the Petition to the Scheme of Arrangement.

2. The instant second motion petition has been filed under Section 230 read with Section 232 of the Companies Act, 2013 for sanction of Scheme of Arrangement between Kkalpana Industries (India) Limited (hereinafter referred to as “Kkalpana”) and Ddev Plastiks Industries Limited (hereinafter referred to as “Ddev”). Copy of the Scheme is annexed as **Annexure A** at pg. 32 of the petition.
- 3 The Ld. Counsel for the Petitioners submits that the Demerged Company is primarily engaged into the business of manufacturing plastic compounds and reprocessing/ recycling of plastic and Resulting Company has been recently incorporated for demerging the compounding business undertaking of the Demerged company to the resulting company.
- 4 The Ld. Counsel submits that the circumstances and/ or reasons and/ or grounds that have necessitated and/ or justified the arrangement are stated in the said Scheme of Arrangement. They are inter alia, as follows:
 - a. The Demerged Undertaking and the Remaining Undertaking have their own set of strengths and dynamics in the form of nature of risks, competition, challenges, opportunities and business methods, leading to different growth potentials. Hence, segregation of the two undertakings would enable a focused management to explore the potential business opportunities effectively and efficiently;
 - b. The demerger would result in achieving efficiency in operational processes by designing and implementing independent strategies specifically designed for the two businesses and in optimizing profitability. This would in turn enhance the shareholders’ wealth.

- c. Targeting and attracting new investors with specific focus and expertise in the two businesses, thereby providing the necessary funding impetus to the long-term growth strategy of the two businesses;
- d. The Compounding Business Undertaking of the Demerged Company is an old and diverse undertaking, that caters to a range of sectors viz., house wiring, high voltage cables, packaging, white goods, automotive, footwear, to name a few. The Compounding Business Undertaking has proved its significant resistance to market volatility over the years and therefore, on a standalone basis, it has scope for enhanced valuation and entry of strategic domestic/ international players by way of technological tie-ups/ direct acquisition of stake in the business. Hence, demerger of the Compounding Business Undertaking would help in targeting and attracting new investors with specific focus and expertise in the business, thereby providing the necessary funding impetus to the long-term growth strategy of the businesses.
- e. The remaining Undertaking of the Demerged Company, inter alia, comprises of a Reprocessing Business Unit located in Falta, West Bengal, and it holds a license for reprocessing of plastic waste which has restriction on transferability. A similar license is also held in a Dubai based wholly owned subsidiary ['WOS'] of the Demerged Company. Since ultimate ownership of such licenses relating to the Remaining Undertaking rests with the Demerged Company, the Reprocessing Business Undertaking along with its corresponding licenses as aforesaid, would be continued to be retained by the Demerged Company.
- f. Further, given the recent international trends and demand for recycling of plastics (recognized as upcycling across the world), the Reprocessing Business Undertaking has significant long-term growth prospects. Moreover, growth potential of the Reprocessing Business Undertaking is substantially high. Hence, demerger of the Compounding Business Undertaking would also enhance the standalone valuation for Reprocessing Business Undertaking.

Such higher growth and valuation potentials would be attractive to specific set of strategic domestic/ international players who would look to target direct acquisition of stake in the business. The transfer and vesting of the Demerged Undertaking to the Resulting Company will enable better focus and management of the Demerged Undertaking and the Remaining Undertaking.

- g. The Reprocessing Business Undertaking is a debt free unit and has significantly lower working capital requirement as compared to the Compounding Business Undertaking. Hence, demerger of the Compounding Business Undertaking would help in independently managing the different funding requirements of the two business, both in terms of type of funds and amount of infusion required for the businesses.
- h. As part of expansion plans for Reprocessing Business Undertaking, the Demerged Company intends to explore chemical recycling and other recycling activities, which are also expected to attract strategic domestic and international investors.

Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE. Therefore, the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective. Such shareholders would then be able to choose whether they want to remain invested in either or both the businesses/ operations of the Demerged Company, giving them flexibility in managing their investment in the two businesses having differential dynamics.

- 5 The Scheme was approved by the respective Board of Directors of the Petitioner Companies at their meetings held on 11th December, 2020.

6. The statutory Auditors of the Petitioners have by their certificate dated 9th December, 2020 confirmed that the accounting treatment in the Scheme is in conformity with the accounting standard prescribed under Section 133 of the Companies Act, 2013.
7. A report from a Registered Valuer, Abhinav Agarwal (Regn. No. IBBI/RV/O6/2019/12564) on fair share exchange ratio is annexed to the petition at pg. No. 988 being **Annexure M**. Further, fairness opinion issued by the SEBI Registered Category I Merchant Banker providing that the share entitlement ratio is fair and reasonable to the equity shareholders is annexed to the petition at pg. No. 997 being **Annexure N**.
8. The Learned Counsel for the petitioners submit that the company petition have been filed in consonance with the Order of this Tribunal dated 14th June, 2021 in C.A. (C.A.A.) No. 106/KB/2021.
9. In terms of the directions passed separate meeting of the equity shareholders, the secured creditors and unsecured creditor of the Demerged Company were held on 29th July, 2021 and the Chairperson Mr. Deepak Kumar Khaitan filed his report which is annexed to the Petition at pg. No. 922 being **Annexure K**. From the report, it is observed that the shareholders and creditors have approved the scheme in their respective meetings.
10. Affidavit of service/ compliance in terms of the order dated 14th June, 2021 is filed and is also annexed to the petition at pg. No. 282 being **Annexure J** to the petition.
11. This second motion petition was admitted by order dated 20th October, 2021 read with order dated 3rd November, 2021. Upon admission directions were given for publication of notice of hearing and service upon the sectoral authorities.
12. Learned Counsel for the petitioners submit that in compliance of the order dated 20th October, 2021 read with order dated 3rd November, 2021, the petitioner has published

the notice of hearing and also served the sectoral authorities being Registrar of Companies, Central Government through the Office of Regional Director, Eastern Region, BSE Limited, Calcutta Stock Exchange Limited, Income Tax Authorities and Competition Commission of India. It is further submitted that affidavit of compliance dated 18th November, 2021 has been filed before this Tribunal.

13. It is submitted that the Central Government through the office of Regional Director has filed an affidavit dated 24th December, 2021 by which they have given their observations. Their observations of the RD(ER) and responses of the petitioners are given below:

Paragraph 2 (a) of RD Affidavit:

2 (a) It is submitted that on examination of the report of the Registrar of Companies, West Bengal, it appears that no complaint and /or representation regarding the proposed Scheme of Amalgamation has been received against the Petitioner Companies, Further, as per available records all the petitioner companies are updated in filing their Statutory Returns. The ROC, WB in its report also stated that the amount of active charge against the Company namely Kkalpana Industries (India) Limited is Rs.682,00,00,000/- (Copy of the said report of ROC, WB marked as Annexure-1 is enclosed herewith for perusal and ready reference).

Paragraph 2 of Rejoinder:

With regard to para 2(a) of the said affidavit, we submit that the same is matter of record.

Paragraph 2 (b) of RD Affidavit:

2 (b) It is submitted that the Demerged Company namely KKALPANA INDUSTRIES (INDIA) LIMITED is listed on BSE Ltd and CSE Ltd. The BSE Ltd by letter dated 01/04/2021 and the CSE Ltd by letter dated 08/04/2021 have issued their 'Observation letter regarding the Scheme of Arrangement" between Kkalpana Industries (India) Limited with the Ddev Plastiks Industries Limited (Resulting

Company). Copy of the said letters of the Stock Exchanges collective marked as Annexure-II is enclosed with the affidavit for perusal and ready reference.

Paragraph 3 of Rejoinder:

With regard to para 2(b) of the said affidavit we submit that the same is matter of record and that the petitioner companies shall comply with all the relevant provisions, application to them.

Paragraph 2 (c) of RD Affidavit:

2 (c) According to clause 6.3 of the scheme the immovable properties of the demerged undertakings shall be transferred and vested in the resulting company and the title to such properties shall be deemed to have been mutated and recognized as that of the Resulting Company. In view of the judgment of Hon'ble Supreme Court in (2004)9 SCC 438 Hindustan Lever & Anr Vs State of Maharashtra and the judgment of Hon'ble Delhi High Court in Delhi Towers Limited Vs GNCT of Delhi (2009), the Transferee company may be directed to pay the applicable stamp duty for the transfer of the properties by virtue of the scheme.

Paragraph 4 of Rejoinder:

With regard to para 2(c) of the said affidavit we submit that the Resulting Company shall pay, if applicable, the applicable stamp duty on the transfer of the immovable properties from the Demerged Company to it.

Paragraph 2 (d) of RD Affidavit:

2 (d) In Clause 16.7 of Part-B of the scheme, it is envisaged to transfer Authorized Capital of Rs.10.00 crore to the Resulting Company. The said clause of the scheme is defective. The "authorized share capital" of a company is the maximum amount of share capital that the company is authorized by its constitutional documents to issue (allocate) to shareholders. In this case the Demerged Company is not getting dissolved pursuant to the scheme. There is no system and manner provided under Companies Act, 2013 to ascertain the unit-wise/ undertaking-wise authorized share

capital in case of demerger, thus business-wise bifurcation is not lawful. The Authorized Share Capital being the authorization for the company as a whole not specifically relevant for any particular activity or group of assets of the company, a part thereof cannot get transferred upon mere transfer of one of the undertakings of the company to another company.

Paragraph 2 (e) of RD Affidavit:

2 (e) Furthermore, Section 232(3)(i) of the Companies Act 2013 provides "The Tribunal, after satisfying itself that the procedure specified in sub-sections (1) and (2) has been complied with, may, by order, sanction the compromise or arrangement or by a subsequent order, make provision for the following matters, namely (i) where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorized capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation". Therefore transfer of the authorized Share Capital can be possible only in the case of dissolution of the Transferor Company pursuant to a scheme of merger and amalgamation. It cannot happen in the case of demerger. This deponent therefore objects to the said clause in the scheme. There have been orders of Hon'ble Tribunal allowing demerger schemes after the applicant undertook to pay the requisite fee for increase in authorized capital of the resulting company, departing from earlier prayer for addition of part of Authorized Capital of demerged company with that of the resulting company. CP(CAA) No. 1904/KB/2019 [order of Kolkata Bench of Hon'ble NCLT], CP(CAA) No. 1992/KB/2019 [order of Kolkata Bench of Hon'ble NCLT] and Company petition No. 129/PB/2018 [order of Principal Bench of Hon'ble NCLT] are relevant in this regard.

Paragraph 5 of Rejoinder:

With regard to para 2(d) and 2(e) of the said affidavit we submit that save and except what are matters of record allegations to the contrary are denied and disputed. It is denied that clause 16.7 of Part B or any other clause of the scheme is defective as alleged or at all. We say that in several schemes, proposing the transfer of authorized share capital from the demerging/ transferor entity to the resulting/ transferee entity and set off fees thereon paid by the demerging/ transferor entity

have been sanctioned earlier by the Hon'ble Tribunals. The prayer of the Petitioners as to transfer of authorized share capital of the Demerged Company to Resulting Company and set off of fees on authorized share capital paid thereon by the Demerged Company cannot be said to be unlawful and ought to be allowed under the provisions of law. Further, the judgments relied upon in the said affidavit are distinguishable on facts. In the said judgments relied upon, there was no prayer for transfer of authorized share capital. Hence, the same cannot be made applicable to the instant case. However without prejudice to the above, we submit that in case this Hon'ble Tribunal directs that the authorized share capital of the Demerged Company cannot be transferred and the Resulting Company to increase its authorized share capital after paying the requisite fee, the Petitioners undertake to abide by such directions of this Hon'ble Tribunal.

Paragraph 2 (f) of RD Affidavit:

Regarding the undertaking of the demerged company to be demerged to the resulting company, no description of the immovable properties and movable properties mentioned in the scheme has been provided. Hence the scheme is not complete and material information were suppressed. Nothing further can be observed in this regard by this deponent.

Paragraph 6 of Rejoinder:

With regard to para 2(f) of the said affidavit we submit that the Statement of Assets, indicating the property of the Demerged Company to be transferred to the Resulting Company will be duly filed along with the application for certified true copy of the order sanctioning the Scheme.

Paragraph 2 (g) of RD affidavit:

2 (g) The scheme provides (paragraph 18 of Part-C) for reduction of the equity share capital of the resulting company. Section 66(3) of the Companies Act 2013 provides that the Tribunal may, if it is satisfied that the debt or claim of every creditor of the company has been discharged or determined or has been secured or his consent is obtained, make an order confirming the reduction of share capital on such terms and

conditions as it deems fit. Therefore section 66(3) requires consent of each and every creditor contrary to the provisions of section 232(1)(d) of the Companies Act 2013. Hence the provisions of section 66 are more protective for creditors compared to the provisions of section 232 of the Act. The scheme therefore should be modified so that the application for reduction of capital is applied for separately by the transferee company.

Paragraph 7 of Rejoinder

With regard to para 2 (g) of the said affidavit it is submitted that in explanation to section 230 of the Companies Act, 2013, it has been clearly provided that the provisions of section 66 shall not apply to the reduction of share capital effected in pursuance of the order of the Tribunal under this section. Reliance can also be placed on the decision of Hon'ble NCLAT in R Systems International Limited [Company Appeal (AT) No. 416 of 2017] wherein it was held that capital reduction is permissible by way of a separate clause in the scheme approved by the order of the Tribunal, without following the compliances under Section 66 of the Companies Act, 2013. Following the provisions of section 230(6) of the Companies Act, 2013 consent of the creditors of the Demerged Company has already been taken in the meetings held for this purpose. 100% of the Secured Creditors gave their consents and 104 out of 105 unsecured creditors gave their consent. Further, the Resulting Company does not have any creditors and hence meeting of creditors for approval was dispensed by the Hon'ble Tribunal. It is further submitted that it is not required to modify the scheme in view of the provisions of the Companies Act, 2013 and judgments thereof.

Paragraph 2 (h) of RD Affidavit:

2 (h) The demerged company is having active charge of Rs. 682.00 crore in favour of State Bank of India. In the scheme, it is stated that the demerged company has two business undertakings, viz. Compounding Business Undertaking and Reprocessing Business Undertaking. The scheme provides for demerger of Compounding Business Undertaking. Reprocessing Business Undertaking shall be the remaining undertaking. It is also stated in the scheme that the Reprocessing Business Undertaking is a debt free unit. Therefore the active charge of Rs. 682.00 crore pertains to the demerged

unit only. But in clause 7.2 of the scheme it is stated "All the debts and liabilities, secured and unsecured, relating to the remaining undertaking shall continue to be the debts and liabilities of the demerged company". The scheme is self-contradictory.

Paragraph 8 of Rejoinder:

With regard to para 2(h) of the said affidavit it is denied that the scheme is self-contradictory as alleged or at all. It is submitted that in clause 7.2 of the scheme a standard statement has been made and the fact that the Reprocessing Business Undertaking is a debt free unit, does not ipso facto make the scheme contradictory in any manner whatsoever.

Paragraph 2 (i) of RD Affidavit:

2 (i) In the latest financial statement of the demerged company for 2019-20 it is stated under the heading for details of shareholding of top 10 shareholders, that M/s Liable Textiles Private Limited holds 44,65,969 nos. shares. But in MGT-9 it is stated that M/s Liable Textiles Private Limited holds 77,50,00 nos. shares in the company. Since the share entitlement ratio shall grant shares of the resulting company to M/s Liable Textiles Private Limited, the differences between the shareholding positions reported in the financial statement of the company requires to be explained by the Applicant.

Paragraph 9 of Rejoinder:

With regard to para 2(i) of the said affidavit it is denied that Liable Textiles holds 77,50,000 shares as alleged or at all. We submit that in MGT-9, it has been clearly mentioned that M/s Liable Textiles Private Limited holds 44,65,969 and not 77,50,000 as referred to by the Learned Regional Director in his report. Hence, it is humbly submitted that there is no difference in the shareholding pattern as reported in the Annual Report of the Demerged Company. A copy of the Form MGT-9, Extract of Annual return as on the financial year ended on 31 March 2020 is attached to the rejoinder and marked with the letter "P1".

Paragraph 2(j) of RD Affidavit:

2 (j) That the Transferee Company should be directed to pay applicable stamp duty on the transfer of the immovable properties from the Transferor Companies to it.

Paragraph 10 of Rejoinder:

With regard to para 2(j) of the said affidavit we submit that the Resulting Company shall pay, if applicable, the applicable stamp duty on the transfer of the immovable properties from the Demerged Company to it.

Paragraph 2(k) of RD Affidavit:

2 (k) In compliance of Accounting Standard-14 or IND-AS 103, as may be applicable, the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5 or IND-AS-8 etc.

Paragraph 11 of Rejoinder:

With regard to para 2(k) of the said affidavit we submit that both the Petitioner Companies shall pass the necessary accounting entries as per the applicable Accounting Standards.

Paragraph 2(l) of RD Affidavit:

2 (l) The Hon'ble Tribunal may kindly seek the undertaking that this scheme is approved by the requisite majority of members and creditors as per section 230(6) of the Companies Act 2013 in meeting duly held in terms of section 230(1) read with sub-sections (3) to (5) of section 230 of the said Act and the Minutes thereof are duly placed on record.

Paragraph 12 of Rejoinder:

With regard to para 2(l) of the said affidavit we submit that in terms of the order dated 14th June, 2021 being C.A. (C.A.A.) No. 106/KB/2021, the Hon'ble Tribunal was pleased to pass an order *inter alia* directing a meeting of the equity shareholders of the Demerged Company and meetings of secured and unsecured creditors of the Demerged Company via video conferring or other audio-visual mode for the purpose of considering and, if thought fit, approving with or without modifications. Meetings of the shareholders and creditors of Resulting Company were dispensed with. The resolution for the sanction of the Scheme was passed by requisite majority in the said meetings. The Chairperson so appointed by this Hon'ble has also filed his report.

before this Hon'ble Tribunal in this regard. A copy of the said order is attached to the rejoinder marked collectively with the letter "P2".

Paragraph 2(m) of RD Affidavit:

2 (m) The Hon'ble Tribunal may kindly direct the Petitioners to file an affidavit to the extent that the Scheme enclosed to the Company Application and Company Petition are one and same and there is no discrepancy or no change is made.

Paragraph 13 of Rejoinder:

With regard to para 2(m) of the said affidavit we submit that the Scheme of Arrangement enclosed to the company application and the company petition are one and the same and there is no discrepancy or change in the said Scheme.

Paragraph 2 (n) of RD Affidavit:

2 (n) The Petitioners under provisions of section 230(5) of the Companies Act 2013 have to serve notices to concerned authorities which are likely to be affected by the Amalgamation or arrangement. Further, the approval of the scheme by the Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the scheme. The decision of such authorities shall be binding on the Petitioner Company (s) concerned.

Paragraph 14 of Rejoinder:

With regard to para 2(n) of the said affidavit we submit that the petitioners have served all the authorities as applicable under Section 230 (5) of the Companies Act, 2013 and affidavit of compliance in this regard was also filed in the Hon'ble Tribunal.

Paragraph 2 (o) of RD Affidavit:

2 (o) It is submitted that the Income Tax Department by letter no. ACIT CC1(4)/Kol/ Amalgamation/Demerger/2020-21 dated 29/07/2021 submitted that there are confirmed demands outstanding against the Assessee Company namely Kkalpana Industries India Limited (Demerged Company) and the Income Tax Department has objection to the proposed Scheme. (Copy of the said letter of Income Tax Department marked as Annexure - III is enclosed herewith for perusal and ready reference).

Paragraph 15 of Rejoinder:

With regard to para 2 (o) of the said affidavit, we say that by letter dated 29th July, 2021, the office of the Assistant Commissioner of Income Tax, Central Circle-1(4) of the Income Tax, Kolkata being the office of the jurisdictional assessing officer of the Demerged Company have given their observations. Such observations have been duly dealt with by the rejoinder dated 29th November, 2021 of the Demerged Company and a copy of the same is also annexed to the rejoinder and marked with the letter “P3”.

14. It is submitted that the office of the Assistant Commissioner of Income Tax, Central Circle-1(4) of the Income Tax, Kolkata being the office of the jurisdictional assessing officer of the Demerged Company (hereinafter referred to as the “Learned AO”), furnished their representation dated 29th July 2021 in connection with the Scheme. The Petitioners have furnished an affidavit providing their response thereof, as given below:

“3. In the said representation, the Learned AO has given a chart of outstanding income-tax demand against the Demerged Company. It is humbly submitted that the outstanding demand so mentioned in the said representation is either paid or is disputed or is erroneous. The company's response against such outstanding demand is mentioned herein below:

<i>AY</i>	<i>Section</i>	<i>Date of demand</i>	<i>Outstanding demand amount</i>	<i>Our comments</i>
2018	143(3)	17-06-2021	10,08,810	<i>Matters is under appeal. The Demerged Company expects the appeals to be disposed in its favour, pursuant to which, the demand would be vacated.</i>
2019	143(1)(a)	12-05-2020	30,36,990	<i>Without prejudice to the above, reference is drawn to clause</i>

<i>AY</i>	<i>Section</i>	<i>Date of demand</i>	<i>Outstanding demand amount</i>	<i>Our comments</i>
				<i>11.1 of the Scheme, in pursuance of which, the proceedings, if any may continue against the Demerged Company and demand, if any, would be borne by the Demerged Company. Hence, the interest of the Revenue Authorities would not be prejudiced pursuant to the Scheme coming into effect.</i>
<i>2009</i>	<i>154</i>	<i>08-02-2013</i>	<i>474,690</i>	<p><i>The computation made by the Revenue Authorities being incorrect, rectification petition was filed by the Demerged Company and the same is pending. The Demerged Company expects the proceedings to be disposed in its favour, pursuant to which, the demand would be vacated.</i></p> <p><i>Without prejudice to the above, reference is drawn to clause 11.1 of the Scheme, in pursuance of which, the proceedings shall be continued against the Demerged Company and demand, if any, would be borne by the</i></p>

<i>AY</i>	<i>Section</i>	<i>Date of demand</i>	<i>Outstanding demand amount</i>	<i>Our comments</i>
				<i>Demerged Company. Hence, the interest of the Revenue Authorities would not be prejudiced pursuant to the scheme coming into effect.</i>
<i>2005</i>	<i>143(1)</i>	<i>21-09-2006</i>	<i>55,575</i>	<i>Demand have been paid off by the Company. Copy of the challans in this regard are collectively annexed and marked with the letter 'B'</i>
<i>2009</i>	<i>115-WE</i>	<i>03-12-2010</i>	<i>46,199</i>	
<i>2005</i>	<i>220(2)</i>	<i>03-04-2014</i>	<i>18,383</i>	
<i>2011</i>	<i>154 / 153A</i>	<i>31-03-2021</i>	<i>1,313,0,940</i>	<i>Matters are under appeal. The Demerged Company expects the appeals to be disposed in its favour, pursuant to which, the demand would be vacated.</i>
<i>2012</i>	<i>154 / 147</i>	<i>31-03-2021</i>	<i>16,774,270</i>	<i>Without prejudice to the above, reference is drawn to clause 11.1 of the Scheme, in pursuance of which, the proceedings shall be continued against the Demerged Company and demand, if any, would be borne by the Demerged Company. Hence, the interest of the Revenue Authorities would not be</i>

<i>AY</i>	<i>Section</i>	<i>Date of demand</i>	<i>Outstanding demand amount</i>	<i>Our comments</i>
				<i>prejudiced pursuant to the scheme coming into effect.</i>

4. The Learned. AO has further stated that the scrutiny assessment proceedings for assessment years 2016-17 and 2020-21 are pending. Reference in this regard is once again drawn to clause 11.1 of the Scheme, pursuance of which, the proceedings, if any shall be continued against the Demerged Company and demand, if any, would be borne by the Demerged Company. Hence, the interest of the Revenue Authorities would not be prejudiced pursuant to the Scheme coming into effect.

5. The Ld. AO has also stated that if any information comes in their possession from investigation agencies or from external agencies, assessment proceedings may be initiated against the Demerged Company in such event, leading to tax demands. In this connection, it may be noted that as on date, the Demerged Company does not have any ongoing investigations. Further, after the Scheme becoming effective, the Remaining Undertaking of the Demerged Company would continue to operate as a going concern. Hence, any future proceedings that may be instituted against the Demerged Company would be taken care by the Demerged Company and demand, if any thereon, shall be borne by the Demerged Company. Hence, the interest of the Revenue Authorities would not be prejudiced pursuant to the Scheme coming into effect."

15. The regulatory authorities have not found the Scheme itself to be violative of any statute. Technical issues such as the ones pointed out by the Regional Director (ER) would not be enough to withhold sanction of Scheme itself. Any allegations of violation will not stand in the way of sanctioning of Scheme of Amalgamation. Therefore, while we are inclined to accord sanction to the Scheme, such sanction shall not stand in the way of any action to which the ~~Petitioner~~ Companies may be

liable.

16. From the material on record, the Scheme appears to be fair and reasonable and is not violative to any provisions of law, nor is contrary to public interest.
17. Since all requisite compliance has been fulfilled, the following orders in terms of prayers made in the petition, with modification by the Tribunal are passed:

THIS TRIBUNAL DOTH ORDER

- a. The Scheme of Arrangement being Annexure “A” herein is sanctioned to be binding with effect from 1st April, 2021, being the Appointed Date as mentioned in the Scheme, their respective shareholders and all concerned including those mentioned in the Scheme of Arrangement;
- b. Pursuant to Section 230 to 232 of the Companies Act, 2013 and as stated in the Scheme of Arrangement all properties, rights, powers, interests, assets pertaining to the Demerged Undertaking of the Demerged Company as on the Appointed Date be transferred as a going concern on “as is where is” basis by way of Demerger without any act deed or thing to the Resulting Company;
- c. Pursuant to Section 230 to 232 of the Companies Act, 2013 and as stated in the Scheme of Arrangement, all liabilities and duties of the Demerged Undertaking of the Demerged Company as on the Appointed Date be transferred as a going concern on “as-is-where-is” without any act deed or thing to the Resulting Company;

ॐ

- d. All suits and/or appeals and/or any proceedings, of whatsoever nature now pending by or against the Demerged Undertaking of the Demerged Company be transferred as per the Scheme of Arrangement to the Resulting Company, if any, be continued by or against the Resulting Company;
- e. The existing equity share capital of the Resulting Company shall stand reduced and extinguished in terms of Part C of the Scheme.
- f. The Resulting Company do within 90 days from the date of this order but not exceeding 30 days of the date of obtaining certified copy of the order to be made herein, cause certified copies of the said order to be delivered to the Registrar of Companies, West Bengal for registration;
- g. Leave is given to file the Schedule of Assets of the Demerged Undertaking of the Demerged Company within four weeks from the date of the order to be passed herein;
- h. Any person interested shall be at liberty to apply to this Hon'ble Tribunal in the above matter for such directions as may be necessary;

The Petitioner(s) shall supply legible print out of the scheme and schedule of assets in acceptable form to the Registry and the Registry will append such printout, upon verification to the certified copy of the order.

- 18. The Company Petition being C.P. (CAA) 132/KB/2021 connected with CA (CAA) No. 106/KB/2021 is disposed of.

Witness:

Sri Rohit Kapoor, Hon'ble Member (Judicial) & Sri Harish Chander Suri, Hon'ble Member (Technical) at Kolkata aforesaid on the 04th March, 2022.

Ms. Shruti Swaika, Advocate, Ms. Iram Hasaan, Advocate & Mr. Sanket Sarawgi, Advocate of petitioners.

Mr. Channa Keshava, Asstt. Director, For RD (E)R, MCA.

Schedule of Assets

First Part-I

(As per Annexure)

Second Part-II

(As per Annexure)

Third Part-III

(As per Annexure)

Joint Registrar

National Company Law Tribunal

Kolkata Bench

Dated, the 15th day of March, 2022.

SSCHEDULE OF ASSETS

Part A

Schedule of Assets as at 1st April, 2021 of Demerged Undertaking of Kkalpana Industries (India) Limited (the Demerged Company), to be transferred to and vested in Ddev Plastiks Industries Limited (the Resulting Company).

PART - I

(A short description of the freehold properties of Demerged Undertaking of the Demerged Company)

Sl. No.	Details
Property 1:	All that pieces and parcels of land containing an area of 30,700 sq. mtrs. More or less situated at Survey No. 320/1/1/2/2, Village - Surangi, U.T. of Dadra and Nagar Haveli - 396240 supported by Deed of Conveyance dated 13.09.2011 registered with Sub Registrar Silvassa under Serial No. 3057/2011 of 13.09.2011.
Property 2:	All that pieces and parcels of land containing an area of 2,000 sq. mtrs. More or less situated at Survey No. 320/1/1/3/2, Village - Surangi, U.T. of Dadra and Nagar Haveli - 396240 supported by Deed of Conveyance dated 13.09.2011 registered with Sub Registrar Silvassa under Serial No. 3057/2011 of 13.09.2011.
Property 3:	All that pieces and parcels of land containing an area of 11,100 sq. mtrs. More or less situated at Survey No. 320/1/2, Village - Surangi, U.T. of Dadra and Nagar Haveli - 396240 supported by Deed of Conveyance dated 13.09.2011 registered with Sub Registrar Silvassa under Serial No. 3057/2011 of 13.09.2011.
Property 4:	All that pieces and parcels of land containing an area of 2,900 sq. mtrs. More or less situated at Survey No. 208, Village - Surangi, U.T. of Dadra and Nagar Haveli - 396240 supported by Deed of Conveyance dated 13.09.2011 registered with Sub Registrar of Silvassa under Serial No. 3057/2011 of 13.09.2011.
Property 5:	All that pieces and parcels of land containing an area of 6,900 sq. mtrs. More or less situated at Survey No. 151p, Village - Surangi, U.T. of Dadra and Nagar Haveli - 396240 supported by Deed of Conveyance dated 13.09.2011 registered with Sub Registrar of Silvassa under Serial No. 3057/2011 of 13.09.2011.

Sl. No.	Details
Property 6:	All that pieces and parcels of land containing an area of 1,250 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1318/93 of 29.10.1993.
Property 7:	All that pieces and parcels of land containing an area of 1,200 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1320/93 of 29.10.1993.
Property 8:	All that pieces and parcels of land containing an area of 1,250 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1319/93 of 29.10.1993.
Property 9:	All that pieces and parcels of land containing an area of 1,225 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1323/93 of 29.10.1993.
Property 10:	All that pieces and parcels of land containing an area of 1,225 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1322/93 of 29.10.1993.
Property 11:	All that pieces and parcels of land containing an area of 1,200 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1321/93 of 29.10.1993.
Property 12:	All that pieces and parcels of land containing an area of 1,225 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1324/93 of 29.10.1993.
Property 13:	All that pieces and parcels of land containing an area of 1,225 sq. mtrs. More or less situated at 168/151-158, Dabhel Industrial Co-op Society Limited, Dabhel, Daman - 396215 supported by Deed of Conveyance dated 29.10.1993 registered with Sub Registrar of Daman under Serial No. 1325/93 of 29.10.1993.

Sl. No.	Details
Property 14:	All that pieces and parcels of land containing an area of 7,880 sq. mtrs. More or less situated at Survey No. 24/3, Village - Demni Road, Dadra, Silvassa - 396193 supported by Deed of Conveyance dated 16.11.2004 registered with Sub Registrar of Dadra and Nagar Haveli, Silvassa under Serial No. 2237/04 of 16.11.2004.
Property 15:	All that pieces and parcels of land containing an area of 1,825 sq. mtrs. More or less situated at Survey No. 24/5/1/2, Village - Demni Road, Dadra, Silvassa supported by Deed of Conveyance dated 02.03.2006 registered with Sub Registrar of Dadra and Nagar Haveli, Silvassa under Serial No. 507/06 of 02.03.2006.

PART – II

(A short description of the leasehold properties of Demerged Undertaking of the
Demerged Company)

Sl. No.	Details
Property 1	Lease Facility provided by TATA Capital Financial Services Limited for SDJ-75/200 Two Stage Compounding and Pelletizing Machine manufactured by Jaingsu Cenmen Equipment Corp. Limited delivered at JL No 20, Mouza Dhulagari, NH – 6 Kolorah, Dhulagarh, West Bengal – 711302 vide Facility Sanction No. CF/OL/Kol/3182093
Property 2	Lease factory building provided by Apple Insulated Wires Private Limited at Plot No. 219/2/3, Dadra, Village Surat Gali, Dadra
Property 3	Lease warehouse / godown provided by S.S.B.P. Realty Pvt Ltd at Dag No. 281, Khatian Nos., J.L No. 23, Mouza – Chaturbhunj Kati, Police Station, District Howrah
Property 4	Lease warehouse / godown provided by Mr. Basant Attalani & Mrs. Anita Attalani at Dag Nos. 202, 203, 208 & 280 Khatian Nos. 686 & 715, J.L. No. 23, Mouza Chaturbhunj Kati, Police Station – Sankrali, District Howrah
Property 5	Lease warehouse / godown provided by Shri Arindam Dey at Dag No 634, Khatian No. 2139, within Mouza Jala Dhulagori, J.L. No. 2, Police Station Sankril, District Howrah
Property 6	Lease warehouse / godown provided by Shri Raghubansh Kumar Singh at Mouza Jala Dhulagiri, J.L. No. 2 having Dag No 359, under Khatian No. 1440, Police Station, Sankhrail, Disrict Howrah
Property 7	Lease warehouse / godown provided by RVN Paper & Boards Private Limited at Plot No 57/C, 1st Phase, GIDC, Vapi (E), 396195, District Valsad, Gujarat
Property 8	Lease warehouse / godown provided by Smt Aparna Dey at Godown nos. 1,2, and 3, Dag No. 6559, Khatian No. 5815, Mouza Korola, J.L. No. 20, Police Station Domjur, District Howrah
Property 9	Lease warehouse / godown provided by Smt Aparna Dey at Godown nos. 4 and 5, Dag No. 6559, Khatian No. 5815, Mouza Korola, J.L. No. 20, Police Station Domjur, District Howrah

PART – III

(A short description of all stocks, shares, debentures and other charges in action of Demerged Undertaking of the Demerged Company)

Sl. No.	Particulars	Annexures	Amount (in INR Lakhs)
I	Fixed Assets		
A	Factory Building		4,617.97
B	Plant & Machinery		12,684.89
C	Furniture & Fixtures		123.31
D	Motor Car	(i)	19.69
E	Scooter, Moped & Cycle	(i)	1
F	Laboratory Equipment		487.73
G	Electrical Installation		511.31
H	Office Equipment		27.89
I	Air Conditioner		41.15
J	Computers		12.76
K	Technical Knowhow		0.2
L	Computer Software		0.36
II	Other Non-Current Assets		
A	Long Term Loan and Advances		
	Security Deposits	(ii)	80.47
B	Others		
	Capital Advances		106.32
	Prepaid Rent		6.97
III	Current Assets		
A	Inventories		
	Raw Material		19,146.96
	Finished Goods		3,056.75
	Stores and Spares		611.46

Sl. No.	Particulars	Annexures	Amount (in INR Lakhs)
B	Trade Receivable		26,946.6
C	Cash and Cash Equivalent		
	Balance with Banks	(iii)	
	In Current Accounts		137.5
	In EEFC Accounts		108.95
	In Deposit with Original Maturity of less than 3 months		1.89
	Cash in hand (As certified by the management)		14.31
	Other Bank Balance		
	Deposits with more than 3 months initial maturity		495.23
D	Short term Loan & Advances		
	Security Deposits	(ii)	184.29
	Other Loan and Advances		
	Advance to Employees		124.38
	Advance to Others		8.22
E	Other Current Assets		
	Balances with government departments		6,962.69
	Advance to Suppliers		132.69
	Prepaid Expenses		296.77
F	TOTAL		76,950.71

Licenses, Approvals, Permissions, etc.

Details of Licenses, Approvals, Permissions obtained by the Demerged Company for Demerged Undertaking:

Sl. No.	Location	Details
1	HO	GST Registration No. 19AABCK2239D1ZT in respect of principal place of business at 2B, Ground Floor, Pretoria Street, Kolkata, West Bengal – 700071
2	Dhulagarh	GST Registration No. 19AABCK2239D1ZT in respect of additional place of business at JL No 20, Mouza Dhulagari, NH – 6 Kolorah, Dhulagarh, West Bengal – 711302.
3	Dhulagarh	GST Registration No. 19AABCK2239D1ZT in respect of additional place of business at JL No 23, Dag No 281, Chaturbhujkati, Chaturbhunkati, Kandua, P.S. Sankrail, Howrah, West Bengal – 711313
4	Delhi	GST Registration No. 07AABCK2239D1ZY in respect of additional place of business at A-195, Basement, Ground Floor and First Floor, DSIDC, Narela Industrial Area, Delhi-110040
5	HO	GST Registration No. 19AABCK2239D3ZR in respect of principal place of business at 2B, Ground Floor, Pretoria Street, Kolkata, West Bengal – 700071.
6	Surangi	GST Registration No. 26AABCK2239D1ZY in respect of principal place of business at SURVEY NO. 320/1/1/2/2, CHIKHLI ROAD, CHIKHLI, SILVASSA, Dadra & Nagar Haveli, Dadra and Nagar Haveli and Daman and Diu – 396240.
7	Daman	GST Registration No. 26AABCK2239D1ZY in respect of additional place of business at 168-151-158, DABHEL INDUSTRIAL CO-OP-SOC. LIMITED, DABHEL, DAMAN, Daman, Daman and Diu, 396215.
8	Dadra	GST Registration No. 26AABCK2239D1ZY in respect of additional place of business at SURVEY NO.24/3, DEMNI ROAD, DEMNI DADRA, Dadra & Nagar Haveli, Dadra and Nagar Haveli and Daman and Diu, 396193.
9	Dadra	GST Registration No. 26AABCK2239D1ZY in respect of additional place of business at SURVEY NO.24/5/1/2, DEMNI ROAD, DADRA, Dadra & Nagar Haveli, Dadra and Nagar Haveli and Daman and Diu, 396193
10	Dadra	GST Registration No. 26AABCK2239D1ZY in respect of additional place of business at Survey No. 219/2/3, NEAR DADRA CHECK POST, DADRA, Dadra & Nagar Haveli, Dadra and

Sl. No.	Location	Details
		Nagar Haveli and Daman and Diu, 396193.
11	Vapi	GST Registration No. 24AABCK2239D1Z2 in respect of principal place of business at PLOT NO-57/C, FIRST PHASE, GIDC VAPI EAST, Valsad , Gujarat-396195
12	Daman	EPF Establishment Code No. SRVAP0023903000 in respect of establishment at Survey No. 168/151-158, Dabhel Industrial Co. Op. Society Limited, Dabhel , Daman.
13	Mumbai	ESI Employee Code No. 354-103-581600-10910 in respect of establishment at 106, Laxmi Palza, Laxmi Ind Estate, New Link Road, Andheri , Mumbai-400053.
14	Delhi	ESI Employee Code No. 224-103-581600-10910 in respect of establishment at Unit No 1007, Dmall, Netaji Subhash Place, Pitampura , Delhi-110034.
15	Dhulagarh	ESI Employee Code No. 414-103-581600-10910 in respect of establishment at Village Chaturbhujkathi, Kandua, Sankrail, Howrah-711313.
16	Mumbai	Profession Tax Registration No. 27855201445 in respect of establishment at 106, Laxmi Palza, Laxmi Ind Estate, New Link Road, Andheri , Mumbai-400053.
17	Surangi	Certificate No. IND.20.4332/QM/U dated 16th November, 2020 issued by Bureau Veritas (India) (P) Ltd for Design, Development, Marketing, Manufacturing and Dispatch of Compounds based on Polyolefin at manufacturing facility situated at Survey No. 320/1/1/2/2, Village - Surangi, Chikhali Road, Silvassa, U.T. of Dadra and Nagar Haveli - 396240 valid upto 16th November, 2023.
18	Dadra	Certificate No. IND18.7520U/Q dated 6th September, 2018 issued by Bureau Veritas (India) (P) Ltd for Development, Manufacturing, Marketing and Supply of PVC, PE, EVA Based Compounds for Cable, Pipe and allied Industries & PE, PP based filler master batches for packing and injection moulding at manufacturing facility situated at Survey No. 24/3, Demni Road, Village-Demni, Dadra, Dadra Nagar Haveli - 396193 valid upto 03rd December, 2021.
19	Dadra	Registration No. 2212 dated 26.04.2006, issued by Chief Inspector of Factories & Boilers, Administration of Dadra & Nagar Haveli, Silvassa to work as a factory situated in Survey No. 24/5/1/2, Village Demni, Dadra, Silvassa valid upto 31.12.2022.

Sl. No.	Location	Details
20	Dadra	Registration No. 2167 dated 02.03.2005, issued by Chief Inspector of Factories & Boilers, Administration of Dadra & Nagar Haveli, Silvassa to work as a factory situated in Survey No. 24/3, Village Demni, Dadra, Silvassa valid upto 31.12.2022.
21	Dadra	Registration No. 2870 dated 22.01.1998, issued by Chief Inspector of Factories & Boilers, Administration of Dadra & Nagar Haveli, Silvassa to work as a factory situated in Survey No. 219/2/3, Village Dadra, Near Check Post, Silvassa.
22	Dhulagarh	Trade Registration Certificate bearing Registration no. 768 dated 17th June, 2019 issued by the Kandua Gram Panchayat, Sankrail, Howrah, valid upto 31st March, 2022.
23	Dhulagarh	Registration No. 44-HW/X/10 and Licence No. 17874 dated 27.12.2010, issued by Chief Inspector of Factories & Boilers, West Bengal to work as a factory situated in Chaturbhujkati, Sankrail, Howrah-711313 valid upto 31.12.2021.
24	Daman	Registration No. 632 dated 23.06.1994, issued by Chief Inspector of Factories & Boilers, Administration of Daman & Diu, Daman to work as a factory situated in Survey No. 168/151-158, Dabhel Industrial Co. Op. Society Limited, Dabhel, Daman valid upto 31.12.2023.
25	Surangi	Registration No. 2533 dated 15.03.2012, issued by Chief Inspector of Factories & Boilers, Administration of Dadra & Nagar Haveli, Silvassa to work as a factory situated in Survey No. 320/1/1/2/2, 320/1/2/3, 320/1/2, 208 and 151P, Chikhali Road, Surangi, Silvassa valid upto 31.12.2023.
26	Daman	Consent Order dated 09.07.2020 bearing No. PCC/DDD/WH-126/WA/AA/DB/99-00//468496 granted by the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli to operate under Section 25 of Water (PCP) Amended Act, 1988 and under Section 21 of Air (PCP) Act, 1981 for manufacturing facility at 168/151-158, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman valid upto 31.10.2022.
27	Dadra	Consent Order dated 26.03.2021 bearing No. PCC/DDD/G-6754/574723 granted by the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli to operate under Section 25 of Water (PCP) Amended Act, 1988 and under Section 21 of Air (PCP) Act, 1981 for manufacturing facility at 219/2/3, Village Dadra, valid upto 28.02.2022.

Sl. No.	Location	Details
28	Dadra	Consent Order dated 01.06.2021 bearing No. PCC/DDD/O-2234/WA/AA/DR/06-07/601843 granted by the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli to operate under Section 25 of Water (PCP) Amended Act, 1988 and under Section 21 of Air (PCP) Act, 1981 for manufacturing facility at 24/5/1/2, Village Dadra, valid upto 31.03.2022.
29	Dadra	Consent Order dated 05.10.2020 bearing No. PCC/DDD/O-2234/WA/AA/DR/06-07/498890 granted by the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli to operate under Section 25 of Water (PCP) Amended Act, 1988 and under Section 21 of Air (PCP) Act, 1981 for manufacturing facility at 24/5/1/2, Village Dadra, valid upto 31.10.2022.
30	Dadra	Consent Order dated 29.08.2019 bearing No. PCC/DDD/PCC/DDD/O-2356/WA/AA/DR//359529 granted by the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli to operate under Section 25 of Water (PCP) Amended Act, 1988 and under Section 21 of Air (PCP) Act, 1981 for manufacturing facility at 24/3, Demni Village, Dadra, valid upto 30.04.2022.
31	Mumbai	Registration No. 820010483 dated 07.12.2018, issued under Maharashtra Shop and Establishments (Regulations of Employment and condition of Service) Act, 2017, for the establishment situated at 106, Laxmi Palza, Laxmi Ind Estate, New Link Road, Andheri, Mumbai-400053 valid upto 06.12.2023.
32	Surangi	Consent Order dated 27.07.2020 bearing No. PCC/DDD/G-5098/WA/AA/SU/11-12//461064 granted by the Pollution Control Committee, Daman, Diu and Dadra & Nagar Haveli to operate under Section 25 of Water (PCP) Amended Act, 1988 and under Section 21 of Air (PCP) Act, 1981 for manufacturing facility at Survey No. 320/1/1/2/2, Village Surangi valid upto 31.12.2023.
33	Dhulagarh	Consent Order dated 20.09.2018 bearing No. 00113709 granted by the West Bengal Pollution Control Board to operate under Section 25/26 of Water (PCP) Act, 1974 and under Section 21 of Air (PCP) Act, 1981 for manufacturing facility at JL No. 23, Mozua Chaturbhujkati, Howrah-711113 valid upto 31.07.2022.

Sl. No.	Location	Details
34	Surangi	Approval No. DNH/ELE/DG/26/2011/1290 dt 05.07.2013 granted by the DHN Power Distribution Corporation Limited, UT of Dadra and Nagar Haveli, Silvassa, for running 2X1010 KVA capacity DG Set at 320/1/1/2/2, 320/1/1/3/2, 320/1/2, 151P and 208, Village Surangi.
35	Daman	Consent Order dated 08.09.2004 bearing No. ED/EE/T-14/142 granted by the Office of Executive Engineer, Daman, for additional power connection for manufacturing facility at Plot No 168/151-58, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman.
36	Daman	Approval No. WRIO/DMN/Kkalpana/A-3759/DD/2018/1179-80 dt 01.08.2018 granted by the Central Electricity Authority, Government of India, for installation of 1010 KVA capacity DG Set at Plot No 168/151-58, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman.
37	Dhulagarh	Certificate No. EAS/IND/10674 issued by Empowering Assurance Systems under ISO 9001:2015 for Development, Manufacture, Marketing and Dispatch of Compounds based on Polyolefin, Polyvinyl and Other Engineered Plastics at manufacturing facility situated at Village Chaturbhujkathi, Kandua, Sankrail, Howrah-711313 valid upto 14th June, 2022.
38	Dhulagarh	Certificate No. EAS/IND/10676 issued by Empowering Assurance Systems under ISO 14001:2015 for Development, Manufacture, Marketing and Dispatch of Compounds based on Polyolefin, Polyvinyl and Other Engineered Plastics at manufacturing facility situated at Village Chaturbhujkathi, Kandua, Sankrail, Howrah-711313 valid upto 14th June, 2022.
39	Dhulagarh	Certificate No. EAS/IND/10678 issued by Empowering Assurance Systems under ISO 45001:2018 for Development, Manufacture, Marketing and Dispatch of Compounds based on Polyolefin, Polyvinyl and Other Engineered Plastics at manufacturing facility situated at Village Chaturbhujkathi, Kandua, Sankrail, Howrah-711313 valid upto 14th June, 2022.
40	Daman	Certificate of Registraton vide No. LE/LI/DMN/RE-124/2020 dated 18.12.2020 issued by Government of Goa, Daman and Diu granted under Section 7 of the Contract Labour (Regulation and Abolition) Act, 1970, for manufacturing facility at 168/151-58, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman-396210 valid upto 31.12.2021.

Sl. No.	Location	Details
41	Daman	Consent Order dated 13.01.2005 bearing No. ED/EE/T-14/292 granted by the Office of Executive Engineer, Daman, for additional power connection for manufacturing facility at Plot No 168/151-58, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman.
42	Daman	Occupancy Certificate vide no. PWD/DMN/SD II/OCCUPANCT-CERTIFICATE/2022/1995-96 dt 16.10.1995 issued by the Office of Assistant Engineer, Government of India, under Rule 10 of G.D.D, VP (Regulation of Building) Rules, 1971, certifying construction of building as per the plan at Plot No 168/151-58, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman.
43	Surangi	Part Occupancy Certificate vide no. DNHPDA/Part-OC/Srv.No.320/1/1/2/2/Surangi/2018/1107 dt 22.09.2018 issued by the Member Secretary, Dadra and Nagar Haveli, Planning and Development Authority, Silvassa, certifying construction of industrial building as per the approval plan at Survey No 320/1/1/2/2, Village Surangi, Dadra and Nagar Haveli.
44	Surangi	Approval No. DNH/ELE/DIV-II/30/2012/3833 dt 09.10.2015 granted by the DHN Power Distribution Corporation Limited, UT of Dadra and Nagar Haveli, Silvassa, for release of additional HT power of 1200 KVA at 320/1/1/2/2, 320/1/1/3/2, 320/1/2, 151P and 208, Village Surangi.
45	Dadra	Occupancy Certificate vide no. ATP/OC/Srv.No.24/3/Demni/2007/129 dt 12.03.2007 issued by the Associate Town Planner, TCPD, Dadra & Nagar Haveli, Silvassa, certifying construction of industrial building as per the plan at Survey No. 24/3, Village Demni.
46	Daman	No Objection Certificate dated 02.01.1995 issued by the Directorate of Industries, Administartion of Daman & Diu, for the manufacture of Polyethylene compound, cross linked polyethylene compound & Engineering plastics and alloy compounds for the manufacturing facility at 168/151-58, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman-396210.
47	Dadra	No Objection Certificate No. DIC/1/(4030)/NOC/2004/1282 dt 21.12.2004 in Principal clearance for MSI to establish New Industrial Undertaking at 24/3, Demni Road, Dadra.
48	Dadra	No Objection Certificate No. DIC/1/(4030)/NOC/2004/580 dt 27.06.2015 for additional power requirement at 24/3, Demni Road, Dadra.

Sl. No.	Location	Details
49	Dadra	Approval for renewal of fire NOC bearing approval no. DFES/DNH/Renewal-FNOC/India.Buil/2020-21/263 dt 27.03.2021 issued by Department of Fire and Emergency Services, UT Administration of Dadra & Nagar Haveli and Daman& Diu, Silvassa for the manufacturing facility at Survey No. 24/5/1/2, Village Demni, Dadra.
50	Daman	Certificate No. 3910/SIA/IMO/2010 dt 08.09.2016 issued by the Secretariat of Industrial Assistance (IEM Section), Dept. of Industrial Policy & Promotion, Ministry of Commerce & Industry, Government of India, subject to addition of item to manufacture of Polyethelene Compound at 168/151-58, Dabhel Industrial Co. Op. Society Ltd, Dabhel, Daman-396210.
51	Dadra	Certificate No. 408/SIA/IMO/2015 dt 10.04.2015 issued by the Secretariat of Industrial Assistance (IEM Section), Dept. of Industrial Policy & Promotion, Ministry of Commerce & Industry, Government of India, subject to addition of item to manufacture of Polyethelene Compound at 24/3, Demni Road, Dadra.
52	Surangi	Certificate No. 388/SIA/IMO/2015 dt 01.02.2017 issued by the Secretariat of Industrial Assistance (IEM Section), Dept. of Industrial Policy & Promotion, Ministry of Commerce & Industry, Government of India, subject to addition of item to manufacture of Polyethelene Compound at Survey No 320/1/1/2/2, Village Surangi, Dadra and Nagar Haveli.
53	Surangi	Approval for change of name from M/s Kalpena Industries Ltd. To M/s Kkalpana Industries (India) Limited with a contract demand of 4200 KVA vide letter no. DNH/ELE/DIV-II/30/2012/2896 dt 13.07.2016 at 320/1/1/2/2, 320/1/1/3/2, 320/1/2, 151P and 208, Village Surangi.
54	Dadra	Approval for change of name from M/s Kalpena Industries Ltd. To M/s Kkalpana Industries (India) Limited with a contract demand of 1450 KVA vide letter no. 1-1(109)/ELE/2004/2468 dt 03.07.2015 at 24/3, Demni Road, Dadra.
55	Dadra	Application no. 1-(185)/ELE/2006/1657 dt 02.05.2015 issued by DNH Power Distribution Corporation Ltd. For reduction of contract demand from 100 KVA to 500 KVA for the manufacturing facility at Survey No. 24/5/1/2, Village Dadra.
56	Dadra	Application no. 1-2(110)/PDCL-AE(Comml)/2021/1326 dt 02.08.2021 issued by DNH Power Distribution Corporation Ltd. for installation of 1x500 KVA D.G. Set for the manufacturing

Sl. No.	Location	Details
		facility at Survey No. 24/5/1/2, Village Dadra.
57	Dadra	No Objection Certificate vide NOC No. CGWA/NOC/IND/ORIG/2021/10598 issued by the Dept of Water Resources, Government of India, for ground water abstraction for the manufacturing facility at Survey No. 219/2/3, Industrial Estate, Dadra valid upto 31.12.2023.
58	Dadra	No Objection Certificate vide NOC No. CGWA/NOC/IND/ORIG/2021/10570 issued by the Dept of Water Resources, Government of India, for ground water abstraction for the manufacturing facility at Survey No. 24/3, Demni Road, Dadra, valid upto 31.12.2023.
59	Surangi	No Objection Certificate vide NOC No. CGWA/NOC/IND/ORIG/2021/10659 issued by the Dept of Water Resources, Government of India, for ground water abstraction for the manufacturing facility at Survey No. 320/1/1/2/2, Village Surangi, Chikhali Road, valid upto 21.01.2024.
60	Dadra	Occupancy Certificate vide no. ATP/OC/Srv.No.24/5/1/2/Demni/2006/692 dt 29.09.2006 issued by the Associate Town Planner, TCPD, Dadra & Nagar Haveli, Silvassa, certifying construction of industrial building as per the plan at Survey No. 24/5/1/2, Village Demni.

In addition to the above, any and all licenses, permits, approvals, etc. (including any advance licenses, authorizations, EPCG, Status Holder, etc. issued by DGFT) required to operate the business of the Demerged Undertaking, including any subsequent renewals / amendments from time to time, shall be transferred and vested in the Resulting Company.

Annexure (i) – Vehicles

Particulars	Registration no.
CRETA AUTO SX	MH 47AG 6364
MAHINDRA MAXXIMO	GJ 15CA 1423
WAGONR CAR	DL 2CAV 4681
GODREJ FORKLIFT	DN 09F 1893
HERO HONDA SLENDER	DN 09J 4553
VOLTAS FORKLIFT	DN 09J 1255
BETTLE	WB 06D 1234
GODREJ FORKLIFT	DN 09J 1518
HERO HONDA DELUXE	DD 03F 4249
HERO SLENDER	DN 09J 4552
HERO SLENDER	DD 03C 7601
MARUTI WAGONR	DL 2CAV 4681
CRANE -RHINO	DN 09H 1860
HERO-CD DELUXE	DN 09H 3260
GODREJ FORKLIFT	DN 09H 0985
HERO HONDA SLENDER	DN 09C 8143
BAJAJ KAWASAKI	DD 03B 8569
GODREJ FORKLIFT	DD 03E 0530
TOYOTA COROLLA ALTIS	WB 02 AJ 1369
HONDA ACTIVA	WB 12 AA 4038
HERO HONDA SLENDER	DN 09H 5482
HERO-PASSION PRO	DN 09M 7664
MOTOR CYCLE	DD 03E 7691
GODREJ FORKLIFT	DD 03J 1681
TOYOTA INNOVA	DL 4CAV 1826
EICHER SCHOOL BUS	DN 09G 9734
VOLTAS FORKLIFT	DN 09M 2037
TOYOTA INNOVA	DD 03 D 1814
MERCEDES E220D	WB02AN1234
VOLVO XC 40	WB02AP2134
CRETA	WB02AN5689

Particulars	Registration no.
MARUTI ERTIGA	WB02AM3052
HONDA BRV	WB02AM5059
JAGUAR XF	WB02AG1234
HONDA CITY	WB02AH2134
HYUNDAI ELANTRA	WB02AM5068
TOYOTA YARRIS	WB02AP3889
HYUNDAI VERNA	WB02AN1234
MARUTI ERTIGA	DD01A3440

Annexure (ii) - Security Deposit

Particulars	Amount (INR)
BASANT & CO.	26,55,000.00
SSBP REALTY PVT. LTD.	20,00,000.00
APARNA HALDER	8,000.00
ANITA ATTALANI	18,45,000.00
BIMAL DEY	14,300.00
DIVINE UTILITY SERVICES PVT LTD	1,80,500.00
CHANDAN JANA	30,000.00
KABITA JANA	30,000.00
APARNA DEY	16,50,330.00
ARINDAM DEY	6,44,742.00
RIDDHISH TRIVEDI AND DEVENDRA KUMARI TRIVEDI	1,460,000.00
PANABEN T PATEL	9,000.00
C P GAS SERVICE DAMAN	8,800.00
P. K. INDUSTRIAL SERVICES	5,000.00
APPLE INSULATED WIRES PVT. LTD.	9,00,000.00
BHARATBHAI HIRUBHAI DESAI	30,000.00
DAHIBEN ROHIT	20,000.00
DIPAK B ROHIT	20,000.00
JITENDRA KUMAR N PONDORIY	25,000.00
LEELAMMA THOMAS	20,000.00
VANITABEN HANSRAJ BHANUSHALI	15,000.00
ASWINBHAI B ROHIT	20,000.00
DHANSUKH BHAI Z DESAI	10,000.00
MALTIBEN D DESAI	30,000.00
VARSHA RAJPUROHIT	25,000.00
BHAVNA CHAUHAN	5,000.00
LAXMIBEN PARMAR	27,500.00
NITESH CHAUHAN	40,000.00
TEJAL D THAKOR	18,000.00
AJAYKUMAR RANJITSINH DODIYA	5,000.00
AJIT SITLA PRASAD SONI	15,000.00

Particulars	Amount (INR)
ARUNA P. NAIK	15,000.00
BHARAT SANCHAR NIGAM LTD.	14,500.00
BHAVSAR KEYUR AJIT (RENT)	24,000.00
FATEHSHING B DODIYA	12,500.00
NETRA S. LANGDE	20,000.00
RANJITSINH GOMANSINH DODIYA	40,000.00
STAR ENTERPRISES	15,000.00
SURENDRASINH MOHANSINH PARMAR	1,00,000.00
SURESHBHAI RANJITBHAI PATEL	7,000.00
YATIN NARAYAN TEMKAR	50,000.00
HITESH KUMAR FATEHSINGH DODIYA	10,000.00
HITESH KUMAR PATEL	10,000.00
MUGDHA PRADEEP PIMPUTKAR	25,200.00
RVN PAPER & BOARDS PVT. LTD.	23,40,000.00
DHANPATI DEVI	3,97,500.00
AMITA TYAGI	25,000.00
SUNITA	9,000.00
TATA POWER DELHI DISTRIBUTION LIMIT	9,000.00
WEST BENGAL STATE ELECTRICITY	7,37,364.00
DEPOSITS WITH OTHERS	4,21,435.06
INTERE FREE DEP FLAT	49,500.00
MUKESH MONDAL (MESS ADVANCE)	1,74,000.00
SD (GAS CONNECTION)	31,100.00
B K ROHIT	10,000.00
HEMANT S. PATEL	12,300.00
BHARTIBEN G PATEL	9,000.00
BBIGPLAS POLY PVT LTD (EXP)	1,00,67,760.00
SOURAV KUMAR DAS	6,750.00
GREEN GENE ENVIRO PROTECTION AND	65,000.00
SUPARNA PAL	16,500.00
TATA CAPITAL FINANCIAL SERVICES LIM	8,81,853.40
PRATIMA RAI (DHULAGARH UNIT)	27,000.00
Ind-AS ADJUSTMENTS	- 9,14,000.00

Annexure (iii) Bank Accounts

Bank Name	Branch Name	Account Number
Axis Bank	SHAKESPEARE SARANI	914030008298758
Union Bank of India	MID CORPORATE BRANCH	560101000073208
Federal Bank	RN MUKHERJEE ROAD	12005500003962
HDFC Bank	DADRA	50200003920173
HDFC Bank	SARAT BOSE ROAD	140310006425
HDFC Bank	U N BRAHMACHARI STREET	1052560005206
HDFC Bank	CHOWRINGHEE ROAD	4692320000262
HDFC Bank	SARAT BOSE ROAD	142150000358
HDFC Bank	U N BRAHMACHARI STREET	1052320004827
HDFC Bank	CHOWRINGHEE ROAD	4692320000090
HDFC Bank	SARAT BOSE ROAD	140420001053
HDFC Bank	U N BRAHMACHARI STREET	1052320000350
HDFC Bank	U N BRAHMACHARI STREET	50200016651321
HDFC Bank	SARAT BOSE ROAD	140310006071
HDFC Bank	SARAT BOSE ROAD	140310006710
RBL	THAPAR HOUSE	409000146774
SBI	CAG, KOLKATTA	30624058461
IDFC	KOLKATA	10000273224
HDFC Bank	SARAT BOSE ROAD	50200006602350
HDFC Bank	PARK STREET MALLICK BAZAR	50200028675318
HDFC Bank	SARAT BOSE ROAD	50200006595081
Axis Bank Ltd	KOLKATA	921020004505671
Federal Bank Ltd	RN MUKHERJEE ROAD	12000200091938
HDFC Bank Ltd	CHOWRINGHEE ROAD	57500000621349
RBL Bank Ltd	GARIAHAT BRANCH	409001476133

SCHEME OF ARRANGEMENT

**UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER RELEVANT PROVISIONS OF THE
COMPANIES ACT, 2013**

BETWEEN

KKALPANA INDUSTRIES (INDIA) LIMITED

(Demerged Company)

And

DDEV PLASTIKS INDUSTRIES LIMITED

(Resulting Company)

And

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

PREAMBLE

- A. This Scheme of Arrangement has been propounded for demerger and vesting of the 'Compounding Business Undertaking' (as defined hereinafter) of Kkalpana Industries (India) Limited ('Demerged Company'), as a going concern to Ddev Plastiks Industries Limited ('Resulting Company') pursuant to Sections 230 to 232 read with other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, and also read with Section 2(19AA), Section 2(19AAA), Section 2(41A) and other applicable provisions of the Income-tax Act, 1961. Further, this Scheme also provides for reduction and cancellation of equity shares of the Resulting Company held by the Demerged Company and its nominees (without payment of consideration), in terms of section 66 of the Companies Act, 2013. Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

After the effectiveness of this Scheme, the share capital of the Resulting Company, consisting of fully paid-up new equity shares of the Resulting Company issued to the shareholders of the Demerged Company as consideration in terms of Part B of the Scheme shall be listed on the BSE Limited ['BSE'], in accordance with the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated 10th March, 2017, as amended from time to time.

B. BACKGROUND OF COMPANIES

- I. **KKALPANA INDUSTRIES (INDIA) LIMITED ('Demerged Company')** is a public company, limited by shares and listed on the BSE and the Calcutta Stock Exchange ['CSE']. The Demerged Company was incorporated under the Companies Act, 1956 on 3rd September, 1985 in the state of West Bengal and having its registered office situated at 2B, Pretoria Street, Kolkata – 700 071, West Bengal

The Corporate Identification Number ('CIN') of the Demerged Company is L19202WB1985PLC039431 and the Permanent Account Number ('PAN') of the Demerged Company is AABCK2239D.

The Demerged Company has not changed its name, registered office address and objects during the last five years. The Demerged Company is engaged in the business of manufacturing plastic compounds and reprocessing / recycling of plastic.

- II. **DDEV PLASTIKS INDUSTRIES LIMITED ('Resulting Company')** was incorporated under the Companies Act, 2013 on 7 December 2020 in the state of West Bengal as a public company, limited by shares, having its registered office situated at 2B, Pretoria Street, Kolkata – 700 071, West Bengal.

The CIN of the Resulting Company is U24290WB2020PLC241791 and the PAN of the Resulting Company is AAICD1853B.

The Resulting Company has been recently incorporated for demerging the Compounding Business Undertaking of the Demerged Company to the Resulting Company. The Resulting Company has not changed its registered office address, name or objects since incorporation.

C. RATIONALE FOR THIS SCHEME OF ARRANGEMENT

The Demerged Company is engaged in the business of manufacturing plastic compounds and owns the following two business undertakings:

- Compounding Business Undertaking; and
- Reprocessing Business Undertaking

The Demerged Company would demerge its 'Compounding Business Undertaking' (*hereinafter referred to as the 'Demerged Undertaking'*) to the Resulting Company and it would continue to run and operate the 'Reprocessing Business Undertaking' (*hereinafter referred to as the 'Remaining Undertaking'*). The underlying business rationale and objectives are as follows:

1. The Demerged Undertaking and the Remaining Undertaking have their own set of strengths and dynamics in the form of nature of risks, competition, challenges, opportunities and business methods, leading to different growth potentials. Hence, segregation of the two undertakings would enable a focused management to explore the potential business opportunities effectively and efficiently;
2. The demerger would result in achieving efficiency in operational processes by designing and implementing independent strategies specifically designed for the two businesses and in optimizing profitability. This would in turn enhance the shareholders' wealth.
3. Targeting and attracting new investors with specific focus and expertise in the two businesses, thereby providing the necessary funding impetus to the long-term growth strategy of the two businesses;
4. The Compounding Business Undertaking of the Demerged Company is an old and diverse undertaking, that caters to a range of sectors viz., housing wiring, high voltage cables, packaging, white goods, automotive, footwear, to name a few. The Compounding Business Undertaking has proved its significant resistance to market volatility over the years and therefore, on a standalone basis, it has scope for enhanced valuation and entry of strategic domestic / international players by way of technological tie-ups / direct acquisition of stake in the business. Hence, demerger of the Compounding Business Undertaking would help in targeting and attracting new investors with specific

focus and expertise in the business, thereby providing the necessary funding impetus to the long-term growth strategy of the businesses.

5. The remaining Undertaking of the Demerged Company, inter alia, comprises of a Reprocessing Business Unit located in Falta, West Bengal, and it holds a license for reprocessing of plastic waste which has restriction on transferability. A similar license is also held in a Dubai based wholly owned subsidiary ['WOS'] of the Demerged Company. Since ultimate ownership of such licenses relating to the Remaining Undertaking rests with the Demerged Company, the Reprocessing Business Undertaking along with its corresponding licenses as aforesaid, would be continued to be retained by the Demerged Company.
6. Further, given the recent international trends and demand for recycling of plastics (recognized as upcycling across the world), the Reprocessing Business Undertaking has significant long-term growth prospects. Moreover, growth potential of the Reprocessing Business Undertaking is substantially high. Hence, demerger of the Compounding Business Undertaking would also enhance the standalone valuation for Reprocessing Business Undertaking. Such higher growth and valuation potentials would be attractive to specific set of strategic domestic / international players who would look to target direct acquisition of stake in the business. The transfer and vesting of the Demerged Undertaking to the Resulting Company will enable better focus and management of the Demerged Undertaking and the Remaining Undertaking.
7. The Reprocessing Business Undertaking is a debt free unit and has significantly lower working capital requirement as compared to the Compounding Business Undertaking. Hence, demerger of the Compounding Business Undertaking would help in independently managing the different funding requirements of the two business, both in terms of type of funds and amount of infusion required for the businesses.
8. As part of expansion plans for Reprocessing Business Undertaking, the Demerged Company intends to explore chemical recycling and other recycling activities, which are also expected to attract strategic domestic and international investors.

Pursuant to the Scheme, the equity shares issued by the Resulting Company would be listed on BSE. Therefore, the existing shareholders of the Demerged Company would hold the shares of two listed entities after the Scheme becoming effective. Such shareholders would then be able to choose whether they want to remain invested in either or both the businesses / operations of the Demerged Company, giving them flexibility in managing their investment in the two businesses having differential dynamics.

The Board of Directors of the Demerged Company and the Resulting Company believe that the Scheme is in the best interests of the respective entities and their respective stakeholders including its minority shareholders for the reasons aforesaid.

PARTS OF THE SCHEME

This Scheme of Arrangement is divided into the following parts:

PART – A	Deals with definitions of the terms used in this Scheme of Arrangement, share capital of the companies and the Operation of this Scheme
PART – B	Deals with the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company
PART – C	Deals with the reduction and cancellation of share capital of Resulting Company and its nominees held by the Demerged Company, without consideration
PART – D	Deals with general terms and conditions applicable to this Scheme

PART A

1. DEFINITIONS

In this Scheme (*as defined hereafter*), unless repugnant to or inconsistent with the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1. **"Act"** or **"the Act"** means the Companies Act, 2013 and rules made thereunder or statutory modifications, amendments or re-enactment thereof;
- 1.2. **"Accounting Standards"** means the applicable accounting standards in force in India from time to time, consistently applied during the relevant period, including the generally accepted accounting principles and standards, Indian Accounting Standards ('Ind-AS'), and all pronouncements including the guidance notes and other authoritative statements of the Institute of Chartered Accountants of India and / or the National Financial Reporting Authority;
- 1.3. **"Applicable law"** means all the applicable statutes, notification, enactments, act of legislature, bye-laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or other Instructions having force of law enacted or issued by any Appropriate Authority including any statutory modifications or re-enactment thereof for the time being in force;
- 1.4. **"Appointed Date"** for the purposes of this Scheme shall mean 1st April, 2021 or such other date as may be fixed by the Hon'ble National Company Law Tribunal, Kolkata Bench, while sanctioning the Scheme;
- 1.5. **"Appropriate Authority"** means any national, state, provincial, local or similar governmental, statutory, regulatory, administrative authority, agency, commission, departmental or public body or authority, board, branch, tribunal or court or other entity authorized to make laws, rules, regulations, standards, requirements, procedures or to pass directions or orders, in each case having the force of law, or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of law, including the Registrar of Companies, Regional Director, Hon'ble NCLT, Securities And Exchange Board of India, Stock Exchange, and such other regulators or authorities as may be applicable;
- 1.6. **"Assets"** shall mean and include without limitation, assets or properties of every kind, nature, character and description whether movable, immovable, tangible, intangible, including mutual fund investments, patent and trademark, whether owned or leased or otherwise acquired or possessed;

- 1.7. "Demerged Company" shall mean Kkalpana Industries (India) Limited, a Company incorporated under Companies Act, 1956 and having its Registered Office at 2B, Pretoria Street, Kolkata - 700 071, West Bengal. The CIN of the Demerged Company is L19202WB1985PLC039431;
- 1.8. "Demerged Undertaking" or "Compounding Business Undertaking" means and includes all activities, business operations of such undertaking, properties, Assets and Liabilities of whatsoever nature and kind and wheresoever situated, of and relating to the Compounding Business Undertaking of the Demerged Company as detailed below:
- (i) The business relating to "Compounding Business Undertaking" of the Demerged Company and other ancillary business connected therewith, on a going concern basis.
 - (ii) All Assets and property, wherever situated, including in possession of third parties, whether movable or immovable, leasehold or freehold, tangible or intangible including but not limited to any and all rights, title and interest in connection with any land (together with the buildings and structures standing thereon), capital work-in-progress, plant and machinery, leasehold improvements, vehicles, furniture, fixture, office equipment, computer installations, software and related data, electrical appliance, accessories, investments; including investments in mutual funds made out of the surplus generated from the operations of "Compounding Business Undertaking", stocks, stock in transit, wrapping supply and packaging items, debtors, intellectual properties, technical knowhow, patents, copy rights, licenses, approvals pertaining to or relatable to the operations of "Compounding Business Undertaking" of the Demerged Company.
 - (iii) All debts and Liabilities, secured and unsecured, exclusively relating to the operations of "Compounding Business Undertaking", as per the records of the Demerged Company, including borrowings, contractual liabilities, guarantees, provisions and security deposits.
 - (iv) For the purpose of this Scheme, it is clarified that liabilities pertaining to the operations of "Compounding Business Undertaking" include:
 - a) The liabilities which arise out of the activities of "Compounding Business Undertaking"; and
 - b) Specific loans and / or borrowing raised, incurred and / or utilised solely for the activities of the "Compounding Business Undertaking".
 - (v) All employees of the Demerged Company substantially engaged in the operations of "Compounding Business Undertaking" and those employees that are determined by the Board of Directors of the Demerged Company to be substantially engaged in or in relation to the Demerged Undertaking on the date immediately preceding the Effective Date.

- (vi) All rights and licenses, membership, all assignments and grants thereof, all permits, registrations, quota, rights (including rights under any agreement, contracts, applications, letter of intent, or any other contract), subsidies, grants, tax credits, incentives or scheme of central / state governments, quality certifications and approval, product registrations (both Indian or foreign), regulatory approvals, entitlements, industrial and other licenses, municipal permissions, goodwill, approvals, consents, tenancies, if any, in relation to the office and / or residential properties for the employees, investments and / or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking either solely or jointly with other parties, cash balances, bank balances, bank account, deposits, advances, recoverable receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued on behalf of Demerged Company in relation to the operations of "Compounding Business Undertaking", funds belonging to or proposed to be utilised for the operations of "Compounding Business Undertaking", privileges all other claims, rights and benefits (including under any powers of attorney issued by the Demerged Company in relation to the operations of "Compounding Business Undertaking" or any power of attorney issued in favour of the Demerged Company or from or by virtue of any proceedings before a legal quasi-judicial authority or any other statutory authority to which the Demerged Company was a party, powers and facilities of every kind, nature and description whatsoever, rights to use and avail telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the operations of "Compounding Business Undertaking";
- (vii) All books, records, files, papers, computer programs along with their licenses, manuals and back-up, copies, drawing, other manuals, data catalogue, quotations, sales and advertising materials, lists of present and former customers and suppliers, customer credit information, customers pricing information, and other records whether in physical or electronic form, directly or indirectly in connection with or relating to the operations of "Compounding Business Undertaking";
- (viii) All advances, deposits and balance with Government, semi-Government, Local and other authorities and bodies, customers and other person, earnest money and / or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the operations of "Compounding Business Undertaking";

In case of any question that may arise as to whether any particular asset (including common assets viz. cash / bank balances) or liability and / or employees or any other matter pertains

or does not pertain to the operations of "Compounding Business Undertaking" of the Demerged Company, the same shall be decided mutually by the Board of Directors of the Demerged Company and the Resulting Company and the said decision shall be final;

- 1.9. **"Effective Date"** shall mean later of the date on which the certified true copy of the order of Hon'ble National Company Law Tribunal, Kolkata Bench sanctioning this Scheme are filed with the Registrar of Companies, West Bengal, by the Demerged Company and the Resulting Company. References in this Scheme to the word "upon the Scheme becoming effective" or "effectiveness of this scheme" or "upon the Scheme coming into effect" shall mean Effective Date;
- 1.10. **"Liability(ies)"** means liabilities of every kind, nature and description and includes secured loans, unsecured loans, borrowings, statutory liabilities, contractual liabilities and guarantees;
- 1.11. **"LODR Regulations"** means the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and includes all the amendments or statutory modifications thereto or re-enactments thereof;
- 1.12. **"NCLT"** means the Hon'ble National Company Law Tribunal, Kolkata Bench, and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of above mentioned Tribunal under the Act for approving any Scheme of Arrangement of a Company under Section 230 to 232 of the Act and Section 66 of the Act and other relevant provisions of the Act;
- 1.13. **"Record Date"** means the date to be fixed by the Board of Directors of the Resulting Company after the Effective Date, for the purpose of determining the shareholders of the Demerged Company, for the purpose of issue and allotment of Equity Shares of the Resulting Company in terms of this Scheme;
- 1.14. **"Remaining Undertaking"** means all the business assets and liabilities and activities of the Demerged Company, other than the business assets and liabilities of Demerged Undertaking, which upon this Scheme becoming effective, shall remain vested with the Resulting Company, as provided in this Scheme;
- 1.15. **"Resulting Company"** shall mean Ddev Plastiks Industries Limited, a Company incorporated under the Act and having its Registered Office at 2B, Pretoria Street, Kolkata – 700 071, West Bengal. The CIN of the Resulting Company is U24290WB2020PLC241791;
- 1.16. **"Scheme of Arrangement" or "the Scheme" or "this Scheme"** means this Scheme of Arrangement in its present form including any modification(s) or amendments thereon, approved or imposed or directed by the SEBI and / or Hon'ble NCLT;
- 1.17. **"SEBI"** means the Securities and Exchange Board of India

1.18. "SEBI Circular" means circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 (as amended) on Schemes of Arrangement by Listed Entities and Relaxation under sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957, as amended by the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/215 dated November 3, 2020 issued by SEBI or any other circulars issued by SEBI applicable to schemes of arrangement from time to time;

1.19. "Stock Exchange" means the BSE Limited

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

2. SHARE CAPITAL

2.1 The Authorized, Issued, Subscribed and Paid-Up Share Capital of the Demerged Company as on 7th December, 2020 is as under:

Particulars	Amount (INR)
Authorized Equity Share Capital	
153,000,000 Equity Shares of INR 2/- each	306,000,000
Issued, Subscribed and Paid-up Equity Share Capital	
94,072,930 Equity Shares of INR 2/- each	188,145,860
<i>There has been no change in the Authorized, Issued, Subscribed and Paid-Up Share Capital of the Demerged Company after 7th December, 2020.</i>	

2.2 The Authorized, Issued, Subscribed and Paid-Up Share Capital of the Resulting Company as on 7th December, 2020 is as under:

Particulars	Amount (INR)
Authorized Equity Share Capital	
150,000 Equity Shares of INR10/- each	1,500,000
Issued, Subscribed and Paid-up Equity Share Capital	
10,000 Equity Shares of INR10/- each	100,000

The entire issued, subscribed and paid up equity share capital of the Resulting Company has been subscribed by the Demerged Company and its nominees and presently the Resulting Company is a wholly owned subsidiary of the Demerged Company. There has been no change in the Authorized, Issued, Subscribed and Paid-Up Share Capital of the Resulting Company since incorporation.

3. DATE WHEN THIS SCHEME COMES INTO OPERATION

The Scheme set out herein in its present form or with modification(s), approved or imposed or directed by the SEBI and / or Hon'ble NCLT, although operative from the Appointed Date, shall become effective from the Effective Date.

4. COMPLIANCE WITH TAX LAWS

This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income-tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date, including resulting from amendment of law or for any other reason whatsoever, the provisions of the Income-tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income-tax Act, 1961. Such modification will, however, not affect other parts of the Scheme. The power to make such modifications / amendments, as may become necessary, shall vest with the Board of Directors of the Demerged Company, which can exercise the power at any time and shall be exercised in the best interest of the Demerged Company and the Resulting Company.

PART B

TRANSFER AND VESTING OF COMPOUNDING BUSINESS UNDERTAKING (DEMERGED UNDERTAKING) OF KKALPANA INDUSTRIES (INDIA) LIMITED (DEMERGED COMPANY) INTO DDEV PLASTIKS INDUSTRIES LIMITED (RESULTING COMPANY)

5. TRANSFER AND VESTING OF DEMERGED UNDERTAKING

Upon this Scheme becoming effective and with effect from the Appointed Date and pursuant to Sections 230 to 232 and other applicable provisions, if any, of the Act and pursuant to the Orders of the Hon'ble NCLT or other Appropriate Authority or forum, if any, sanctioning the Scheme, without any further act, instruments, deed, matter or thing, the Demerged Undertaking shall stand demerged and transferred and be vested in the Resulting Company as a going concern, together with all its properties, assets, liabilities, obligations, rights, titles, benefits and interests therein.

6. TRANSFER OF ASSETS

Without prejudice to the generality of clause 5 above:

- 6.1 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all assets relating to the Demerged Undertaking, as are movable in nature or are otherwise capable of transfer by physical or constructive delivery, or by endorsement and acknowledgement of possession, pursuant to this Scheme, shall stand transferred and vested as such by the Demerged Company and shall become the property and an integral part of the Resulting Company. The vesting pursuant to this clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- 6.2 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all movable properties of the Demerged Company relating to the Demerged Undertaking, other than those specified in clause 6.1 above, including sundry debtors, outstanding loans and advances, financial assets, investments, and other current assets, if any, recoverable in cash or in kind or for value to be received, cash & bank balance and deposits, shall without any further act, instrument or deed, or without any intimation to any third party, be transferred to and vested in and / or be deemed to be transferred to and vested in and become the property of the Resulting Company.

- 6.3 All Immovable properties relating to the Demerged Undertaking, including land together with the buildings and structures standing thereon and rights and interests in immovable properties pertaining to the Demerged Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall be vested in and/or be deemed to have been vested in the Resulting Company, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law without any further act or deed done or being required to be done by the Demerged Company and/or the Resulting Company, pursuant to the sanctioning of the Scheme and upon the Scheme becoming effective. The Demerged Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay the ground rent and taxes and fulfil all obligations in relation to or applicable to such immovable properties, upon the sanctioning of Scheme by the NCLT and the Scheme becoming effective. The relevant authorities shall grant all clearances/permissions, if any, required for enabling the Resulting Company to absolutely own and enjoy the immovable properties in accordance with Applicable Law. Upon this Scheme becoming effective, the title to such properties shall be deemed to have been mutated and recognised as that of the Resulting Company and the mere filing thereof with the appropriate registrar or sub-registrar or with the Appropriate Authority shall suffice as record of continuing titles with the Resulting Company and shall be constituted as a deemed mutation and substitution thereof;
- 6.4 Without prejudice to the generality of the foregoing, all lease agreements and leave and license agreements, as the case may be, pertaining to the Demerged Undertaking, and having effect immediately before the Effective Date, shall remain in full force and effect on the terms and conditions contained therein in favour of or against the Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder; and the respective lessees and the licensees, as the case may be, shall continue to be in possession of the premises subject to the terms and conditions contained in the relevant lease agreements or leave and license agreements, as the case may be. Further, all the rights, title, interest and claims of the Demerged Company in any properties including leasehold/ licensed properties of the Demerged Company including but not limited to security deposits and advance or prepaid lease or license fee, shall, on the same terms and conditions, be transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company automatically without requirement of any further act or deed, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Law including without the requirement of payment of any transfer charges or any other charges. The Resulting Company shall continue to pay rent or lease or license fee as provided for under such agreements, and the Resulting Company shall continue to comply with the terms, conditions and covenants thereunder.

- 6.5 Upon this Scheme becoming effective and with effect from the Appointed Date, all assets, estate, right, title, interest, investments and properties acquired by the Demerged Company after the Appointed Date but prior to the Effective Date pertaining to the Demerged Undertaking, shall also, without any further act, instrument or deed, or without any intimation to any third party, be transferred to and vested in and / or be deemed to be transferred to and vested in and become the property of the Resulting Company.
- 6.6 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all intangible assets including intellectual property rights, trade and service names and marks, brands, patents, copyrights, licenses, marketing authorizations, approvals, any rights of commercial nature including those attached to goodwill, or any other rights or intangible assets of whatsoever nature, of the Demerged Company, relating to the Demerged Undertaking, whether or not recorded in the books of accounts of the Demerged Company, if any, shall without any further act, instrument or deed, or without any intimation to any third party, be transferred to and vested in and / or be deemed to be transferred to and vested in and become the property of the Resulting Company.
- 6.7 Upon this scheme becoming effective and with effect from the Appointed Date, the past track record of the Demerged Company relating to the Demerged Undertaking, including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Resulting Company for all commercial and regulatory purposes, including for the purposes of eligibility, standing, evaluation and participation of the Resulting Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 6.8 The transfer and vesting of movable and immovable properties as stated above, shall be subject to encumbrances, if any, affecting the same.
- 7. TRANSFER OF LIABILITIES AND RELATED SECURITIES / CHARGES:**
- 7.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all debts, liabilities and obligations, secured and unsecured, relating to the Demerged Undertaking (*hereinafter referred to as "Transferred Liabilities"*) shall without any further act, instrument or deed, or without any intimation to any third party, be transferred to and / or be deemed to be transferred to and become the debts, liabilities of the Resulting Company. The Resulting Company shall undertake to meet, discharge and satisfy the same to the exclusion of the Demerged Company.
- 7.2 All the debts and liabilities, secured and unsecured relating to the Remaining Undertaking shall continue to be the debts and liabilities of the Demerged Company.

- 7.3 Upon this Scheme becoming effective and with effect from the Appointed Date, where any of the debts and liabilities of the Demerged Undertaking as on the Appointed Date, deemed to be transferred to the Resulting Company, have been met, discharged and / or satisfied by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge and / or satisfaction shall be deemed to have been taken for and on account of the Resulting Company.
- 7.4 All loans raised and used and all liabilities and obligations incurred by the Demerged Company for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, shall be deemed to have been raised, used and / or incurred, as the case may be, for and on behalf of the Resulting Company, and to the extent they are outstanding on the Effective date, shall also form part of the Transferred Liabilities defined hereinabove and, without any further act, instrument or deed, or without any intimation to any third party, be transferred to and / or be deemed to be transferred to and become the loans, liabilities and or obligations of the Resulting Company, which shall meet, discharge and satisfy the same.
- 7.5 Upon this Scheme becoming effective and with effect from the Appointed Date, in so far as the existing security in respect of the Transferred Liabilities of the Demerged Undertaking is concerned, such security shall continue to extend and operate over the assets comprised in the Demerged Undertaking, as the case may be, which have been charged in respect of the Transferred Liabilities, as transferred to the Resulting Company pursuant to this Scheme. Provided, however, that if any of the assets comprised in the Demerged Undertaking, which have not been charged or secured in respect of the Transferred Liabilities, such assets shall be transferred to the Resulting Company as unencumbered assets and in the absence of any formal amendment, which may be required by a lender or third party, shall not affect the operation of the above and this Scheme shall not operate so as to require any charge or security to be created on such assets in relation to the Transferred Liabilities.
- 7.6 Without prejudice to the provisions of the foregoing sub-clause and upon the Scheme becoming effective, the Demerged Company and the Resulting Company, if required, may execute any instruments or documents or do all acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the Registrar of Companies, to give formal effect to the above provisions.
- 7.7 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities and the Demerged Company shall not have any obligations in respect of the Transferred Liabilities, and the Resulting Company shall indemnify the Demerged Company in this behalf, as may be necessary.



7.8 It is expressly provided that, save as mentioned in this clause, no other term(s) or condition(s) of the Transferred Liabilities is / are modified by virtue of this Scheme except to the extent that such amendment, if any, is required by necessary implications.

7.9 Subject to the necessary consents being obtained, if required, in accordance with the terms of this Scheme, if approved by Hon'ble NCLT, notwithstanding anything to the contrary contained in any instruments, deeds or writings or the terms of sanction or issue or any security documents; all such instruments, deeds or writings shall stand modified and / or superseded by the foregoing provisions.

8 TRANSFER OF CONTRACTS, AGREEMENTS, MOUs, PERMITS, QUOTAS AND LICENSES OF DEMERGED UNDERTAKING

8.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any and all contracts, agreements, memoranda of agreements, memoranda of agreed points, letter of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, tenancy, leasehold or hire purchase agreements and other instruments of whatsoever nature in relation to the Demerged Undertaking, to which the Demerged Company is a party or to the benefits of which, the Demerged Undertaking may be eligible and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect, on or against or in favour, as the case maybe, of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder.

8.2 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all permits, quotas, rights, entitlements, licenses including those relating to tenancies, privileges, power, facilities of every kind and description of whatsoever nature, leave and license agreements, trade mark licenses (including but not limited to registered trademark of "Kkalpana"), copyrights including application for registration of trademarks or copyrights, storage & warehousing agreements, commission agreements, lease agreements, hire purchase agreements, franchise agreements in relation to the Demerged Undertaking to which the Demerged Company is a party or to the benefits of which the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against Resulting Company as the case may be, and may be enforced as fully and effectually, as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto or thereunder.

8.3 Upon coming into effect of this Scheme and with effect from the Appointed Date, any and all statutory licenses, no objection certificates, permissions, approvals, consents, quotas, rights, entitlements, trade mark licenses (including but not limited to registered trademark of "Kkalpana"),

copyrights , including application for registration of trade mark licenses, copyrights, including those relating to privileges, power, facilities of every kind and description of whatsoever nature and the benefits thereto, in relation to the Demerged Undertaking shall stand transferred to or vested in the Resulting Company without any further act or deed done by the Demerged Company and the Resulting Company, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of the Resulting Company upon the vesting and transfer of the Demerged Undertaking pursuant to this Scheme.

- 8.4 Upon the coming into effect of this Scheme and with effect from the Appointed Date, any such statutory and regulatory no-objection certificate, licenses, permissions, consents, approvals, authorisations or registration, trade mark licenses (including but not limited to registered trademark of "Kkalpana") or copyrights, including application for registration of trade mark or copyrights as are jointly held for Demerged Undertaking and the Remaining Undertaking, including the statutory licenses, permissions or approvals, registration of trade mark under Trade Mark Act 1999 (including but not limited to registered trademark of "Kkalpana"), Copyrights, Sales Tax / VAT, Goods & Service Tax, Service Tax, Shops and Establishment Act or consents required to carry on the operations in the Remaining Undertaking, shall be deemed to constitute separate licenses, permissions, no-objection certificates, consents, approvals, authorisations, registrations or statutory rights and the relevant or concerned statutory authorities and licensors shall endorse and / or mutate or record the separation, pursuant to the filings of this Scheme as sanctioned by the Hon'ble NCLT, with such authorities and licensors after the same becomes effective, so as to facilitate the continuation of operations in the Demerged Company without hindrance from the Appointed Date.
- 8.5 The benefit of all statutory and regulatory permissions, licenses and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking shall vest in and become available to the Resulting Company pursuant to the Scheme becoming effective.
- 8.6 All contracts hitherto engaged by the Demerged Company in relation to the Demerged Undertaking, upon the coming into effect of this Scheme and with effect from the Appointed Date, shall be deemed to be engaged by the Resulting Company for the same purpose on the same terms and conditions.

9. REMAINING UNDERTAKING

- 9.1 The Remaining Undertaking and all the assets, liabilities and obligations, pertaining thereto shall continue to belong to and remain vested in and be managed by the Demerged Company and the Resulting Company shall have no right, claim or obligation in relation to the Remaining Undertaking.

- 9.2 All legal, taxation and other proceedings whether civil or criminal (including before any statutory or quasi-judicial authority or tribunal or any court of law) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter (including those relating to any property, right, power, liability, obligations or duties of the Demerged Company) shall be continued and enforced against the Demerged Company.

10. EMPLOYEE MATTERS

- 10.1 On the Scheme of Arrangement taking effect as aforesaid, all officers and employees of the Demerged Company, engaged in the Demerged Undertaking, as identified by the Demerged Company and in employment on the Effective Date, shall become the officers and employees of the Resulting Company on such date as if they were in continuous service without any break or interruption in service and on same terms and conditions as to remuneration, subsisting with reference to the Demerged Company, as on the said date. All funds and benefits accumulated in respect of the above officers and employees shall also be transferred to the Resulting Company.
- 10.2 The Resulting Company agrees that the services of all such employees with the Demerged Company up to the Effective Date shall be taken into account for the purpose of all retirement benefits payable by the Resulting Company to such employees subsequently. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past service with the Demerged Company shall also be taken into account and agrees and undertakes to pay the same, as and when payable.
- 10.3 In so far as the existing provident fund, gratuity fund and pension and / or superannuation fund or benefits created by the Demerged Company for the benefit of the employees related to the Demerged Undertaking (collectively referred to as the "Funds") are concerned, such Funds and the investments made by the Funds which are referable to the employees related to the Demerged Undertaking being transferred to the Resulting Company in terms of clause 10.1 above, shall be transferred to the Resulting Company and shall be held for their benefit.
- 10.4 The Resulting Company in its sole discretion, will establish necessary funds to give effect to the above transfer or deposit the same in the Scheme governed under the applicable laws and rules made thereunder, as amended from time to time, namely Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and / or Employees State Insurance Act, 1948 and / or Payment of Gratuity Act, 1972. In the event the Resulting Company does not have its own funds in respect of any of the above, the Resulting Company may, subject to necessary approvals and permissions, continue or contribute to the relevant funds of the Demerged Company, until such time that the Resulting Company creates its own fund, at which time the Funds and the investments and contributions pertaining to the

employees related to Demerged Undertaking shall be transferred to the funds created by the Resulting Company.

11. LEGAL PROCEEDING

11.1 If any suit, appeal or other proceedings of whatsoever nature (legal, taxation and other proceedings whether civil or criminal including before any statutory or quasi-judicial authority or tribunal or any court of law), unless exclusively related to the Demerged Undertaking, by or against the Demerged Company is pending or instituted thereafter, the same shall be continued, prosecuted and enforced, by or against the Demerged Company, in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Demerged Company, as if this Scheme had not been made.

11.2 In the event of any difference or difficulty on whether any specific legal or other proceedings relates to the Demerged Undertaking or not, the decision of the Board of Directors of the Demerged Company and Resulting Company, as mutually agreed, in this regard shall be conclusive and binding on the Demerged Company and Resulting Company.

12. TREATMENT OF TAXES

12.1 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes and duties (including but not limited to income tax, Goods and Services Tax, etc.) paid or payable by Demerged Company, and relating to the operations of the Demerged Undertaking, including all advance tax payments, tax deducted at source, credits for minimum alternate tax, shall, for all purposes, be treated as tax, duty or cess liability, advance tax payments, tax deducted at source, credits for minimum alternate tax, as the case may be, of the Resulting Company.

12.2 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall be permitted to revise from the Appointed Date, their respective financial statements and returns along with prescribed forms, filings and annexures under the Income-tax Act, 1961, Goods and Services Tax Laws, Customs Law and other tax laws, and to claim refunds and / or credit for taxes paid (including minimum alternate tax, tax deducted at source, etc.) and for matters incidental thereto, if required to give effect to the provisions of the Scheme and to claim refunds / credits, pursuant to provisions of this scheme.

12.3 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company would undertake appropriate filings under the Goods and Services Tax Rules, to facilitate claim of refunds

and / or transfer of credit for taxes paid and for matters incidental thereto in relation to the Demerged Undertaking, available with the Demerged Company.

- 12.4 All disallowances under section 43B of the Income-tax Act, 1961, in the hands of Demerged Company, in relation and pertaining to the Demerged Undertaking, shall be claimed as a deduction under section 43B of the Income-tax Act, 1961 by the Resulting Company when the payment is made by the Resulting Company against such expenses.
- 12.5 Any refunds or credits (including credits for minimum alternate tax, advance tax and tax deducted at source under the provisions of Income-tax Act, 1961), benefit or carry forward losses and other statutory benefits under the Income-tax Act, 1961, Service Tax laws, Central Sales Tax, Goods and Services Tax, applicable State Value Added Tax laws or other applicable laws / regulations dealing with taxes /duties/ levies, due to the Demerged Company, relating to Demerged Undertaking, including refunds, benefits or credits consequent to the assessment made on Demerged Company (including any refund for which no credit is taken in the accounts of the Demerged Company) as on the date immediately preceding the Appointed Date shall also belong to and be received by the Resulting Company upon this Scheme becoming effective
- 12.6 Further, any tax deducted at source by Demerged Company with respect to Demerged Undertaking on transactions with the Resulting Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Resulting Company and shall, in all proceedings, be dealt with accordingly and *vice versa*.
- 12.7 Upon the Scheme coming into effect, any obligation of tax deduction at source on any payment made by or to be made by the Demerged Company relating to Demerged Undertaking shall be made or deemed to have been made and duly complied with by the Resulting Company.

13. OTHER PROVISIONS

- 13.1 The Demerged Company and the Resulting Company may, after the Scheme becomes effective, for the sake of good order, execute amended and re-stated arrangements or confirmations or other writings, if required, for the ease of the Demerged Company, the Resulting Company and the counter party concerned in relation to the Remaining Business and / or the Demerged Undertaking, without any obligations to do so and without modification of any commercial terms or provisions in relation thereto.
- 13.2 Upon the Scheme becoming effective and with effect from the Appointed Date, the Resulting Company shall secure the change in record of rights and any other records relevant for mutating the legal ownership of any immovable property vested with the Resulting Company and relating to the

Demerged Undertaking. The Demerged Company and the Resulting Company are jointly and severally authorised to file such declarations and other writings to give effect to this Scheme and to remove any difficulties in implementing the terms hereof.

14. CONDUCT OF BUSINESS

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

- (a) The Demerged Company undertakes to carry on and shall be deemed to carry on all business and activities relating to the Demerged Undertaking for and on account of and in trust for the Resulting Company.
- (b) All income, expenditures including management costs, profits accruing to the Demerged Company and all taxes thereof or losses arising or incurred by it relating to the Demerged Undertaking shall, for all purposes, be treated as the income, expenditure, profits or losses, as the case may be, of the Resulting Company.
- (c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Demerged Company and exercised by or available to the Demerged Company, in relation to the Demerged Undertaking shall be deemed to have been exercised by the Demerged Company for and on behalf of and as an agent for the Resulting Company. Similarly, any of the obligations and commitments attached, relating or pertaining to the Demerged Undertaking that have been undertaken or discharged by the Demerged Company shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Resulting Company.

14.2 With effect from the Effective Date, the Resulting Company shall be duly authorised to carry on the business of the Demerged Undertaking previously carried on by the Demerged Company. The Resulting Company agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Demerged Undertaking with effect from the Appointed Date, in order to give effect to the foregoing provisions.

14.3 To avoid any undue hardship to the Demerged Company or the Resulting Company on account of disruption of business post the Effective Date, the Resulting Company shall be entitled to use all the business authorizations, including licenses, contracts etc., having the name of the Demerged Company in connection with the Demerged Undertaking, till such authorizations are issued afresh / transferred / renewed in the name of the Resulting Company.

14.4 On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and

operate the bank accounts of the Demerged Company pertaining to the Demerged Undertaking, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company, in relation to or in connection with the Demerged Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company.

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking shall not in any manner affect any transaction or proceedings, contracts or deeds already concluded by the Demerged Company (in respect of the Demerged Undertaking) on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all such acts, deeds and things done and executed by and / or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

16. ISSUE OF EQUITY SHARES BY THE RESULTING COMPANY

- 16.1 Upon coming into effect of the Scheme and in consideration of transfer and vesting of the Demerged Undertaking in the Resulting Company, the Resulting Company shall, without any further application, act, instrument or deed and without any further payment, issue and allot equity shares to those equity shareholders of the Demerged Company whose names appear in the register of members of the Demerged Company as on the Record Date or to his / her heirs, executors, administrators or the successors-in-title, as the case may be, in the following manner:

"1(one) fully paid up equity shares of INR 1/- each of the Resulting Company, for every 1(one) fully paid up equity shares of INR 2/- each in the Demerged Company."

- 16.2 The equity shares of the Resulting Company shall be issued in such a manner that the percentage of shareholding of the equity shareholders of the Demerged Company in the Resulting Company, after giving effect to reduction and cancellation of equity shares of the Resulting Company held by the Demerged Company and its nominees, is exactly same or mirror as their inter-se shareholding in the Demerged Company.
- 16.3 The equity shares of the Resulting Company will be issued to the shareholders of the Demerged Company in dematerialized form, to the account, in which the shares of the Demerged Company are

held by them or such other account, as may be intimated by the shareholders of the Demerged Company to the Demerged Company or the Resulting Company in writing before the Record Date. All the shareholders of the Demerged Company who hold shares in physical form shall also have the option to receive the equity shares of the Resulting Company in dematerialized form, provided the details of their account with the Depository Participant are intimated to the Demerged Company or the Resulting Company in writing before the Record Date. For the shareholders who fail to provide such information, shall be issued equity shares in physical form. Notwithstanding the above, if as per Applicable laws, the Resulting Company is not permitted to issue and allot the new equity shares in physical form and it has still not received the demat account details of such shareholders of the Demerged Company, the Resulting Company shall issue and allot such equity shares, in lieu of the share entitlement of the shareholders of the Demerged Company, into the Demat Suspense Account, which shall be operated by one of the directors of the Resulting Company, authorized in this regard. Subsequently, on receipt of the appropriate evidence from the shareholders as to their entitlements, the Board of Directors will transfer such shares from the Demat Suspense Account to the individual demat account of such claimant shareholders.

- 16.4 The new equity shares to be issued and allotted in terms of this Scheme will be subject to the provisions of Memorandum and Articles of Association of the Resulting Company. The said equity shares of the Resulting Company to be issued to the eligible shareholders of the Demerged Company pursuant to the clause 16.1 above shall rank *pari-passu* in all respects with the existing equity shares of the Resulting Company.
- 16.5 In the event of there being any pending and valid shares transfers, whether lodged or outstanding of any members of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company 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 Demerged Company, as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor / transferee of the shares of the Demerged Company and in relation to the shares issued by the Resulting Company upon the effectiveness of this Scheme.
- 16.6 The issue and allotment of equity shares to the members of the Demerged Company as provided in this Scheme, is an integral part thereof and shall be deemed to be made in compliance with the procedure laid down under Section 62 and other applicable provisions of the Act and no separate approvals / procedures etc. required to be carried out under the Act. The approval of the members for the Scheme shall be deemed to be approval under Section 62 and other applicable provisions, if any, of the Act.

- 16.7 As a result of the demerger and resultant transfer of the Demerged Undertaking to the Resulting Company, and upon this Scheme becoming effective and with effect from the Appointed date, a part of the authorised share capital of the Demerged Company, amounting to INR 100,000,000/ (50,000,000 equity shares of INR 2/- each), shall stand transferred to and form part of the authorised share capital of the Resulting Company, without any further act or deed and simultaneously with a reclassification of the authorised share capital of the Resulting Company in accordance with the provisions of section 61 of the Act, and the fee, if any, paid by the Demerged Company on its authorised share capital shall be set off against any fees payable by the Resulting Company on its authorised capital, subsequent to the Demerger. Balance fees if any payable, after the aforesaid adjustment by the Resulting Company shall be duly paid in accordance with law upon the sanctioning of the Scheme.
- 16.8 Upon this scheme coming into effect and with effect from the Appointed Date (and consequent to transfer of a part of the existing authorised share capital of the Demerged Company to the Resulting Company), the authorised share capital of the Demerged Company shall stand reduced by 50,000,000 equity shares of INR 2/- each. Such reduced share capital shall stand transferred to the Resulting Company. Revised clause V of the Memorandum of Association of the Demerged Company, post giving effect to above transfer, shall stand modified and be substituted by the following:
- "The Authorized Share Capital of the Company is INR 206,000,000/- (Indian Rupees Twenty Crores Sixty Lakhs only) divided into 103,000,000 (Ten Crore Thirty Lakhs only) Equity Shares of Indian Rupees 2/- (Rupees Two only) each with the rights, privileges and conditions attaching thereto as are provided by regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential Rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company."*
- 16.9 As an Integral part of the Scheme and upon coming into effect of the Scheme, the face value per equity share of the Resulting Company shall be sub-divided from INR 10/- per share to INR 1/- per share and the authorized equity share capital of the Resulting Company shall automatically stand increased pursuant to clauses 16.7 and 16.8, without any further act, instrument or deed on the part of the Resulting Company, such that upon coming into effect of this scheme, the authorised share capital of the Resulting Company shall be INR 101,500,000/- (Indian Rupees Ten Crores Fifteen lakhs only) divided into 101,500,000 (Ten Crores Fifteen lakhs only) equity shares of INR 1/- (Indian Rupee One only) each.

- 16.10 Subsequent to enhancement of authorized share capital of the Resulting Company as contemplated herein, existing clause 5. of the Memorandum of Association shall, without any further act, instrument or deed, be and stand altered, modified and amended suitably pursuant to Sections 13, 14, 61 and other applicable provisions of the Act as the case may be in the manner set out below and be replaced by the following-

"5. The authorised share capital of the Company is INR 101,500,000/- (Indian Rupees Ten Crores Fifteen lakhs only) divided into 101,500,000 (Ten Crores Fifteen lakhs only) equity shares of INR 1/- (Indian Rupee One only) each"

- 16.11 It is hereby clarified that for the purposes of clause 16.7 to 16.10 above the consent / approval given by the members of the Demerged Company and Resulting Company to this Scheme pursuant to Section 230 to 232 and other applicable provisions, if any, of the Act shall be deemed to be sufficient for the purposes of effecting the above amendment and increase in the authorized share capital of the Resulting Company, if at all required, and no further resolutions or actions under Section 13, 14, 61 or under other provisions of the Act would be required to be separately passed or taken. However, the Demerged Company and Resulting Company shall file the requisite forms / documents with the Registrar of Companies, West Bengal which has jurisdiction over the Demerged Company and Resulting Company, for such alteration of its authorized share capital, as aforesaid. Balance fees if any payable, after the aforesaid adjustment by the Resulting Company shall be duly paid in accordance with law upon the sanctioning of the Scheme.
- 16.12 The Resulting Company shall apply to the BSE for listing and admission to trading, of all the equity shares issued under this Scheme, in terms of the provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated 10 March 2017, as amended from time to time. Further, the Resulting Company and the Demerged Company shall enter into such arrangements, complete such formalities and give such confirmations and / or undertakings to BSE or any other Appropriate Authority, as may be necessary in accordance with the Applicable Laws for the listing of equity shares of the Resulting Company issued in pursuance of this Scheme.
- 16.13 The equity shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing / trading permission is given by the designated stock exchange, i.e., BSE.
- 16.14 There shall be no change in the shareholding pattern of the Resulting Company between the Record Date and the listing date, which may affect the status of approval of the stock exchanges to the Scheme.
- 16.15 Equity shares of the Resulting Company issued in lieu of locked-in shares equity shares, if any, of the Demerged Company, will be subject to the same lock-in requirement for the remaining period, as the shares of the Demerged Company. However additional lock-in requirements in terms of the

provisions of SEBI Circular No. CFD/DIL3/CIR/2017/21, dated 10 March 2017, as amended from time to time shall not apply in relation to equity shares issued by the Resulting Company in pursuance of this Scheme, since the post-scheme shareholding pattern of the Resulting Company shall be exactly similar to the shareholding pattern of the Demerged Company.

17. ACCOUNTING TREATMENT

17.1 *Treatment in the books of the Demerged Company*

The Demerged Company shall account for demerger of Demerged Undertaking, in its books as per the applicable accounting principles prescribed under the relevant Ind-AS. It shall *inter alia* include the following:

- 17.1.1 The Demerged Company shall in its books of accounts, reduce the respective carrying values of the assets and liabilities of the Demerged Undertaking being transferred to and vested in the Resulting Company at values appearing in Books of Accounts of the Demerged Company as on the Appointed Date.
- 17.1.2 The aggregate of the net assets (i.e., difference between the carrying value of assets and liabilities related to Demerged Undertaking) standing in the books of accounts of the Demerged Company, transferred to the Resulting Company on the Appointed Date, shall be first adjusted against the balance in Capital Reserve, and thereafter against the balances in Securities Premium Reserve, General Reserve and Retained Earnings in the same order.
- 17.1.3 The reduction in Capital Reserve and Securities Premium of the Demerged Company shall be effected as an integral part of this Scheme in accordance with the provisions of Section 52 and Section 66 of the Act and the order of the Hon'ble NCLT sanctioning this Scheme shall be deemed to be also the order under Section 66 of the Act for the purpose of confirming the reduction.
- 17.1.4 The investment of Demerged Company into the equity shares capital of the Resulting Company either itself or through its nominees, as on the effective date, if any, shall stand reduced and cancelled in accordance with Part C of the Scheme and shall be adjusted against the retained earnings in accordance with prescribed Ind-AS.

17.2 *Treatment in the books of the Resulting Company*

The Resulting Company shall account for the demerger of Demerged Undertaking, using pooling of interest method in accordance with Appendix C 'Business Combinations of entities under common control' of Ind-AS 103 – 'Business Combinations'. It shall *inter alia* include the following:

- 17.2.1 The Resulting Company shall record all the assets and liabilities of the Demerged Undertaking transferred to it in pursuance of this Scheme at their respective carrying values appearing in the books of accounts of the Demerged Company as on the Appointed Date, which are set forth in the closing balance sheet of the Demerged Company as of the close of business hours on the date immediately preceding the Appointed Date.
- 17.2.2 The Resulting Company shall credit its share capital account, with the aggregate face value of the new equity shares issued to the shareholders of the Demerged Company pursuant to demerger of Demerged Undertaking.
- 17.2.3 To the extent there are inter-company balance(s) and transaction(s) between the Resulting Company and the Demerged Undertaking, if any, the rights and obligations in respect thereof will stand cancelled.
- 17.2.4 The difference between the book value of assets and book value of liabilities so recorded in the books of Resulting Company in accordance with clause 17.2.1 as reduced by the amount credited as share capital in accordance with clause 17.2.2, shall be recorded against the following reserve (in the proportion in which the said Reserves shall be adjusted in the books of Demerged Company in accordance with clause 17.1.2 above) viz. Capital Reserve, and thereafter against the balances in Securities Premium Reserve, General Reserve and Retained Earnings in the same order.
- 17.2.5 In case of any differences in accounting policy followed by the Demerged Company in respect of Demerged Undertaking vis-à-vis the accounting policy followed by the Resulting Company, the impact of the same till the Appointed Date will be quantified and adjusted in Reserves of the Resulting Company, to ensure that upon coming into effect of this Scheme, the financial statements of the Resulting Company reflect the financial position on the basis of a consistent accounting policy.

PART C

REDUCTION AND CANCELLATION OF EQUITY SHARES OF RESULTING COMPANY HELD BY THE DEMERGED COMPANY AND ITS NOMINEES

18. REDUCTION AND CANCELLATION OF EQUITY SHARES OF RESULTING COMPANY HELD BY THE DEMERGED COMPANY AND ITS NOMINEES

- 18.1 Immediately upon Implementation of Part B of the Scheme and with effect from the Effective Date and upon allotment of the new equity shares by the Resulting Company to the shareholders of Demerged Company, the entire pre-demerger paid up equity share capital of the Resulting Company held by the Demerged Company and its nominees shall stand cancelled, extinguished and annulled without any consideration and the paid up capital of the Resulting Company to that effect shall stand cancelled and reduced, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to section 66 of the Act as also any other applicable provisions of the Act
- 18.2 The reduction of the share capital of the Resulting Company shall be effected as an integral part of the Scheme itself, without having to follow the process under section 66 of the Act separately and the order of the Hon'ble NCLT sanctioning this Scheme shall be deemed to be an order under section 66 of the Act confirming the reduction.
- 18.3 On effecting the reduction of the share capital as stated in clause 18.1 above, the share certificates in respect of such shares cancelled by the Resulting Company and held by their respective holders shall also be deemed to have been cancelled.
- 18.4 The cancellation of the shares held by the Demerged Company and its nominees in the Resulting Company is to be appropriately adjusted with share capital/ share premium of the Resulting Company (pursuant to the provisions of the section 230 to 232 read with section 52 and section 66 and other applicable provisions, if any, of the Act.)
- 18.5 On the Effective Date, the Resulting Company shall debit its share capital account in its books of accounts with the aggregate face value of such cancelled shares.
- 18.6 The capital reserve in the books of the Resulting Company shall be increased to the extent to the amount of such cancelled shares.
- 18.7 Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name.

PART D

GENERAL TERMS & CONDITIONS APPLICABLE TO THIS SCHEME

19. APPLICATION / PETITIONS TO THE HON'BLE NCLT AND APPROVALS

- 19.1 The Demerged Company and the Resulting Company shall make the requisite joint company applications / petitions under Sections 230 to 232 read with Section 66 of the Act, and other applicable provisions of the Act to the Hon'ble NCLT, as applicable, for seeking the sanctioning of this Scheme.
- 19.2 The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority and all agencies, departments and Appropriate Authorities concerned, as are necessary under any law, for such consents, approvals and sanctions which the Resulting Company may require to own and operate the Demerged Undertaking.

20. DIVIDENDS

- 20.1 For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent the Demerged Company and the Resulting Company from declaring and paying dividends, whether interim or final, to its equity shareholders as on the record date to be fixed by Board of Directors for the purpose of any such dividend.
- 20.2 It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any equity shareholder of the Demerged Company or Resulting Company to deem or claim any dividends, which subject to the applicable provisions of the Act, shall be entirely at the discretion of the Board of Directors, of the respective Companies, as may be required.

21. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

- 21.1 The Demerged Company and the Resulting Company by their respective Board of Directors so nominated in that behalf, may assent to any modification or amendment to this Scheme or to any conditions or limitations that the SEBI / Hon'ble NCLT and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable for settling any question or doubt or difficulty that may arise for implementing and / or carrying out the Scheme in the best

interest of all stake holders. All amendments / modifications pursuant to this clause shall be subject to approval of the SEBI / Hon'ble NCLT or any other authorities, as required under Applicable Law.

- 21.2 Subject to the approval of the SEBI / Hon'ble NCLT, as required, the Demerged Company and the Resulting Company through their respective Board of Directors or such other person or persons, as their respective Board of Directors may authorize, including any committee or sub-committee thereof, are hereby empowered and authorized to assent from time to time to any modifications or amendments or conditions or limitations which the SEBI / Hon'ble NCLT or any other Government Authority, as required by Applicable Law, may deem fit to impose and to settle all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect.

22. GENERAL TERMS AND CONDITIONS

- 22.1 Upon this Scheme being approved by the requisite majority of the respective members and creditors of the Demerged Company and the Resulting Company, they shall apply to the Hon'ble NCLT for sanction of this Scheme under Sections 230 to 232 and Section 66 of the Act read with other applicable provisions of the Act for such Order or Orders, as the said Hon'ble NCLT may deem fit for bringing this Scheme into effect.
- 22.2 The Scheme is and shall be conditional upon and subject to:
- (a) The Scheme being approved by the respective requisite majorities in value of such class of person including members and / or Creditors, of the Demerged Company and the Resulting Company and requisite Order or Orders being obtained.
 - (b) receipt of no-objection letter by the Demerged Company from the Stock Exchange and comment letter from SEBI in accordance with the SEBI Circular and LODR Regulations in respect of the Scheme (prior to filing the Scheme with the NCLT), which shall be in form and substance acceptable to the Demerged Company, acting reasonably and in good faith; The sanctions of the Hon'ble NCLT being obtained, under Sections 230 to 232 and Section 66 of the Act and other applicable provisions, if any, of the Act in favour of Demerged Company and Resulting Company and certified true copies of the Order sanctioning the Scheme passed by the Hon'ble NCLT under Section 232 being filed with the Registrar of Companies, West Bengal and all other sanctions and approvals as may be required by law in respect of this Scheme being obtained.
 - (c) In the event of this Scheme failing to take effect finally, this Scheme become null and void and in that event 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. In such case each Company shall bear its own cost or as may be mutually agreed.

23. SEVERABILITY

- 23.1 Any failure of any provision(s) of this Scheme for lack of necessary approval from the members / creditors / Appropriate Authorities or for any other reason that the Board of Directors may deem fit shall not result in the whole scheme failing. If any clause of this Scheme is ruled invalid or illegal by any court of competent jurisdiction, or unenforceable under present or future laws, the same shall not, subject to the decision of the Demerged Company and Resulting Company, affect the validity or implementation of the other provision(s) of this Scheme. It shall be open to the Board of Directors concerned to consent to sever such provision(s) of the Scheme and implement the rest of the Scheme with such modification.

24. EFFECT OF NON-RECEIPT OF APPROVALS

- 24.1 In the event of any of the said sanctions and approvals referred to in the preceding clauses not being obtained and / or the Scheme not being sanctioned by the Hon'ble NCLT or such other competent authority within such further period or periods as may be agreed upon between the Demerged Company and Resulting Company through their respective Board of Directors (and which the Board of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

25. REVOCATION OF THE SCHEME

- 25.1 The Demerged Company and the Resulting Company, through their respective Board of Directors are empowered and authorized to withdraw this scheme prior to the Effective Date at any time and the same shall not be construed as any non-compliance of the Act.
- 25.2 In the event that any conditions are imposed by the SEBI / Hon'ble NCLT or any authorities, which the Board of Directors of the Demerged Company and the Resulting Company find unacceptable for any

reason, the Demerged Company and the Resulting Company shall be at liberty to withdraw this Scheme.

26. COSTS

- 26.1 All costs, charges, taxes (including the stamp duty, if any, applicable in relation to this scheme), levies and all other expense, if any (save as expressly otherwise agreed) including stamp duty and registration fee etc. on any deed, documents, instruments or Hon'ble NCLT's Order arising out of and in carrying out and implementing this Scheme and matters incidental to the completion of arrangement of the said Scheme of Arrangement shall be borne and paid by Resulting Company and the Demerged Company, as mutually agreed upon.

27 SEQUENCE OF COMING INTO EFFECT OF THIS SCHEME

- 27.1 On the sanction of the Scheme and upon the Scheme becoming effective, the following shall be deemed to become effective and operative in the sequence and order mentioned hereunder:
- (a) Demerger of the Demerged Undertaking from Demerged Company to Resulting Company;
 - (b) Re-organization of authorized share capital of the Resulting Company, including transfer of a part of authorized share capital of the Demerged Company to the Resulting Company and sub-division of existing paid-up equity share capital of the Resulting Company;
 - (c) Issue and allotment of equity shares of Resulting Company to the shareholders of the Demerged Company in consideration of Demerger as aforesaid;
 - (d) Reduction and cancellation of the existing equity share capital of the Resulting Company held by the Demerged Company and its nominees.

28. MISCELLANEOUS

- 28.1 The Scheme does not contain or provide for any compromise with the creditors of the Demerged Company and the Resulting Company. Further, the Scheme has not been drawn to accommodate any corporate debt restructuring. The Scheme also does not come under the purview of the Competition Commission of India.

