
**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
MAFATLAL INDUSTRIES LIMITED**



सत्यमेव जयते

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

Central Processing Centre
Plot No. 6,7, 8, Sector 5, IMT Manesar, Manesar, Haryana, India, 122050

Corporate Identity Number: L17110GJ1913PLC000035 / L17110GJ1913PLC000035

SECTION 13(1) OF THE COMPANIES ACT, 2013

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

The shareholders of M/s MAFATLAL INDUSTRIES LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 07/01/2025 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 ROC, CPC this THIRTEENTH day of JANUARY TWO THOUSAND TWENTY FIVE

Document certified by DS CPC 1
<VIVEK.MEENA@GOV.IN>

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DS CPC 1
Date: 2025.01.13 18:18:06 IST

TiaInla 1

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

Central Processing Centre

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

MAFATLAL INDUSTRIES LIMITED

301-302, HERITAGE HORIZON, THIRD FLOOR, OFF. C. G. ROAD, NAVRANGPURA, NA, AHMEDABAD, Ahmedabad-380009, Gujarat, India





सत्यमेव जयते

**GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS**

ROC Ahmedabad
ROC Bhavan, Ahmedabad, RoC Bhavan Opp Rupal Park Society, Behind Ankur Bus Stop, Gujarat, 380013, India

Corporate Identity Number: L17110GJ1913PLC000035 / L17110GJ1913PLC000035

SECTION 13(1) OF THE COMPANIES ACT, 2013

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

The shareholders of M/s MAFATLAL INDUSTRIES LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 03/08/2023 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 Ahmedabad this FOURTH day of SEPTEMBER TWO THOUSAND TWENTY THREE

Document certified by DS MINISTRY OF CORPORATE
AFFAIRES 1 <olramoshmishra@gmail.com>

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Rupa Sutar

Assistant Registrar of Companies/ Deputy Registrar of Companies/ Registrar of Companies

Registrar of Companies

ROC Ahmedabad

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

MAFATLAL INDUSTRIES LIMITED

**301-302, HERITAGE HORIZON, THIRD FLOOR, OFF. C. G. ROAD,
NAVYRANGPURA, NA, AHMEDABAD, Ahmedabad, Gujarat, 380009, India, NA, AHMEDABAD, Ahmedabad-
380009, Gujarat, India**



Certificate of Registry
OF THE
Memorandum and Articles of Association
OF
THE NEW SHORROCK SPINNING & MANUFACTURING
COMPANY LIMITED,

under Act No. VI of 1882 of the Legislative Council of India.

I Certify that the above Company has been incorporated with limited liability, and that it has been this day duly registered pursuant to the provisions of the above Act.

Dated at Bombay, this 20th day of January, 1913.



Sd/-
Registrar of Joint Stock Companies,
Bombay.

No. 35

**Fresh Certificate of Incorporation Consequent
On Change of Name**

In the Office of the Registrar of Companies, AHMEDABAD, GUJARAT

[Under the Companies Act, 1956 (1 of 1956)]

In the matter of THE NEW SHORROCK SPINNING & MANUFACTURING COMPANY LIMITED.

I hereby certify that THE NEW SHORROCK SPINNING & MANUFACTURING COMPANY LIMITED, which was originally incorporated on 20th day of JANUARY, 1913, under the INDIAN COMPANIES ACT, 1882, and under the name THE NEW SHORROCK SPINNING & MANUFACTURING COMPANY LIMITED, having duly passed the necessary resolution in terms of section 21 of Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto in the Ministry of LAW, JUSTICE & COMPANY AFFAIRS, Regional Director, WESTERN REGION, BOMBAY, letter No. RD : 54(21) 11/73, dated 18th January, 1974, the name of the said Company is this day changed to MAFATLAL INDUSTRIES LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at AHMEDABAD this 24th day of January, 1974 (One thousand nine hundred SEVENTY-FOUR).

Seal of the
Registrar of
Companies,
Gujarat

Sd/-
(J. G. GATHA)
Registrar of Companies,
GUJARAT

Co. No.: 35

(Section 18 (1) of Companies Act, 1956)

CERTIFICATE OF REGISTRATION OF ORDER OF COMPANY LAW BOARD,
CONFIRMING ALTERATION OF OBJECTS

MAFATLAL INDUSTRIES LIMITED

having by special resolution altered the provisions of its Memorandum of Association with respect to its objects and such alterations having been confirmed by an order of THE COMPANY LAW BOARD, WESTERN REGION-BENCH, BOMBAY bearing dated the 24th JULY, 1978.

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

Given under my hand at AHMEDABAD this 17th day of OCTOBER One thousand nine hundred Seventy Eight

Seal of the
Registrar of
Companies,
Gujarat State

Sd/-
(BRIJ KISHORE)
ASSTT. REGISTRAR OF COMPANIES,
GUJARAT

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MEMORANDUM OF ASSOCIATION
OF
MAFATLAL INDUSTRIES LIMITED

- I. The name of the Company is '**Mafatlal Industries Limited**'.
- II. The Registered Office of the Company will be situated in Ahmedabad, India.
- III. The objects for which the Company is established are :-
 - (1) To carry on all or any of the business following :- Cotton spinners and doublers, wool silk, flax, jute and hemp spinner and doublers, linen manufacturers, cotton flax, hemp, jute and wool merchants, wool combers, worsted spinners, woolen spinners, and yarn merchants, worsted stuff manufacturers, bleachers, and dyers and makers of vitriol, bleaching and dyeing materials and to purchase and sell, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances and to weave or otherwise manufacture, buy and sell and deal in linen, cloth and other goods and fabrics whether textile, fringed, knitted or looped add to supply power.
 - (2) To work spinning and weaving mills, cotton mills, jute mills and mills of any other description and for any other purpose and to maintain, erect and work, ginning factories, founderies and manufacturers of every kind of goods and merchandise and to erect, maintain and work presses for pressing merchandise into bales. To erect warehouses, tanks, chawls, or other buildings and to erect such machinery, engines, apparatus, and works thereon as may be necessary for the purposes of the Company and to sell or mortgage all or any portion of the same as may be thought desirable.
- # (3) (a) Providing to assist the individuals, companies, bodies corporate, firms or Public Sector Undertakings or local government bodies or State Governments or Central Government including Defense Department or Local Bodies or any other government services related to Information Technology (IT), Information Technology Enabled Services (ITES) and non-Information Technology (Non-IT) areas including production, supply, services, system integration of products and development, business consultancy, application (App) development, tele call support, all type of marketing services including social media marketing, digital media marketing, mobile marketing, video conferencing, video creation, and training services, training and execution in computer hardware, software, networking services and facilitate the rural development department by providing services and consultancy in executing smart governance projects, establishing strong and smart governance, smart city projects, mobile governance services, citizen services, solid or any other waste management services, taxation support services.

Amended as per Special Resolution passed at the 109th Annual General Meeting held on 3rd August, 2023.

- # (b) To carry on the business in and out of India of providing Data Center centric mission-critical infrastructure management solutions, network connectivity and information technology (IT) services, colocation, hosting services, cloud computing infrastructure, regular backup, server load balancing, remote backup, managed IT services like messaging, shared Hosting, network and security, Storage, virtualization, managed voice services, telecom services, technology integration services and applications integration services, public, private and hybrid cloud platforms, data center operations & management and infrastructure as a service (IaaS), Platform as a Service (PaaS) and disaster recovery (DR) as services, to carry on the business of design, implementation and maintenance of IT services across data centers, network and security, service desks, command centers hosted contact centers or in any other form and to conduct, sponsor or otherwise participate in training & development programs in respect of any of the objects of the Company and for spreading or imparting the knowledge and use of data centers, & IT services including the publication of books, journals, bulletins, study / course materials, circulars and news-letters; and to undertake the business as principal, partners, agents, distributors, franchise holders, through franchisees or otherwise for trading or dealing in data center, IT product and render related services.
- # (c) To manufacture, purchase, sell, develop or otherwise transfer, lease, import, export, hire, license, use, dispose of, operate, fabricate, construct, distribute, assemble, design, charter, acquire, market, recondition, work upon or otherwise, generally deal in any electronic, electrical, mechanical and electromechanical product, machine, apparatus, appliance, custom products, merchandise, systems, software procedure, peripheral products, computers, tabulators, data processing machines and systems and components thereof, web based applications, tracking devices, tracking applications, geofencing, geotagging, surveillance products, artificial intelligence based hardware and software, electronic calculators, electric and electromechanical accounting systems, terminal products and systems, machines for registering, data preparation, recording, perforation, tabulating, sorting printing, typewriting, products which possess an internal intelligence for recognition and correlating any type of data or information to be processed, recognition and memory systems, optical scanning machine, transmission lines, transmission equipment, terminals, copying, reproducing and distributing machines, digital signing, protecting and disbursing equipment, machines for facsimile reproduction, facsimile transmission and word processing, facilities and accessories and devices of all kinds to deal in manufacturing and service machines, devices, software and goods of all kinds.
- # (d) To carry business of advisory, consultancy, staff augmentation, call centers, customer contact centers and to provide voice, email and chat-based customer contact service centers.
- (4) To gin Kapas, and to spin, weave, manufacture, dye, print and bleach raw cotton, waste, droppings, fly, silk, wool, Jute, hemp and other fibrous articles and all materials and things necessary or useful for dyeing, printing and bleaching purposes, and prepare yarn cloth

Amended as per Special Resolution passed at the 109th Annual General Meeting held on 3rd August, 2023.

bleached or unbleached and other fabrics and thinning of what nature or kindsoever and to sell in Ahmedabad or send for sale to any part of India or elsewhere to any country whatever all or any of the above mentioned fabrics, articles and things and also to sell the same and on credit and for future delivery.

- (5) To extend the business of the Company by purchasing, acquiring or leasing any private spinning or weaving mill or any other manufacture either private or belonging to Joint Stock Companies for the time being, situate in Ahmedabad or elsewhere in India and the property, business and goodwill appertaining thereto respectively.
- \$ a) To carry on the business of Manpower aggregator, placement and recruitment services including selecting, interviewing, providing training for all kind of staff, workers, labourers skilled/unskilled. Providing other services including security services, labour contractors, work force suppliers.
- \$ b) To carry on business of real estate developers, construction / contractors, builders, town planners, infrastructure developers. To design, build, operate, develop, maintain or transfer industrial parks, business parks, technology parks, warehouses/ warehousing services, transport hubs, airports, ports, port infrastructure, apparel parks, textile parks, specialised parks or zones for manufacturing and servicing all kinds of products and/or provide all kinds of services for trade and commerce. To design, develop, maintain, administer and dredging of the water bodies including reefs, ponds, canals etc.
- \$ c) To manufacture, process, treat, import, export, buy, sell and market food products of all types including agriculture goods, fruits, dry fruits, dairy products, grains, pulses, spices, oils. To set up, engage, collaborate, acquire, establish, purchase, administer, own, run, maintain, on its own or in partnership with third party, clinical laboratories, diagnostic centres to test and conduct procedure including pathology and radiology clinics, home collection facilities for health check-ups, screening centres, wellness centres, health clubs, fitness centres. To carry out services of designing, establishing, and running healthcare centre facility and online healthcare facilities including consultation and diagnostics.
- \$ d) Manufacturing, trading, installing, maintaining, solar panels and other equipment required for solar energy and to provide all support services for transmission and distribution of solar energy. To establish, operate and manage the own manufacturing setup or contract manufacturing setup of electric items, electromechanical items and digital instruments including electric accessories.
- \$ e) To manufacture, supply, buy, trade, assemble, pack, import, export, deal in (with or without processing) household articles, home & kitchen appliances including electric, electromechanical and gas-powered, personal hygiene products, personal care products including cosmetics, educational materials, articles and equipment, kitchenware, sports goods and fitness equipment.
- \$ f) To operate laundry services for clothes, fabrics, rugs, carpets leather and other material and things and to deal in all types of materials used or required for providing laundry services.

\$ Amended as per the Special Resolution passed by the shareholders through postal ballot on 7th January, 2025, with requisite majority.

- \$ g) To carry on business of publishers, printers, designers of books, magazines, brochures, textbook, study materials, reading material and advertising material physical and/or electronic mode. For this purpose, to acquire any intellectual rights including copy rights.
- # (6) To extend the business of the Company by adding to, altering or enlarging, all or any of the buildings, Mill factories, premises and machinery for the time being the property or in the possession of the Company; also by erecting new or additional buildings on all or any of the lands for the time being the property or in the possession of the Company, and also by expanding from time to time such sums of money as may be necessary or expedient for the purposes of improving, adding to, altering, repairing and maintaining the buildings, machinery and property for the time being of the Company. To Purchase in any part of India or elsewhere from any country whatever any machinery, plant, stores, and other articles for the use of the Company for all or any of the purposes of the Company and to remove all or any of the machinery, plant and stores of the Company for the time being in or upon any lands, buildings or premises of the Company to other lands, buildings or premises wheresoever situated of the Company and-from time to time to sell and dispose of all or any portion of the machinery, plant and stores of the Company.
- # (7) To carry on the business of marketing, advertising, promoting, manufacturing, trading, importing, exporting technical textiles made of all materials, consumer healthcare products, hygiene products, healthcare equipment, home care products, sanitizer, medical consumables, glycerine based products, personal care products, baby care products, feminine care products, adult care products and Incontinence, animal care products, surgical products including disposables, hospital furniture, hospital uniforms, surgical drapes and all kind of hospital drapes and consumables.
- (8) To undertake the payment of all rent and the performance of covenants, conditions and agreements contained in and reserved by any lease that may be granted or assigned to or be otherwise acquired by the Company and to purchase the reversion and eversions or otherwise acquire the freehold or fee simple of all or any part of the lease-hold land and buildings for the time being the property or in the possession of the Company.
- (9) To sell, lease, mortgage or exchange the whole or any part of the property whether movable or immovable of the Company for the time being.
- (10) To make advances for the purchase of raw materials, goods, machinery, stores and other articles required for the purposes of the Company in such manner as may be deemed expedient with or without security of what nature or kindsoever.
- (11) To lease, let or assign all or any part of any of the lands, buildings, property and effects of the Company as may from time to time be deemed expedient or conducive to the interests of the Company.

\$ Amended as per the Special Resolution passed by the shareholders through postal ballot on 7th January, 2025, with requisite majority.

Amended as per Special Resolution passed at the 109th Annual General Meeting held on 3rd August, 2023.

- (12) To carry on the business of iron-founders, mechanical engineers and manufacturers of agricultural implements and other machinery implements, tool-makers, brass founders, metal workers, mill wrights, machinists, iron and steel converters, smiths, woodworkers, buildings, gas-makers, farmers, printers, to buy, sell, manufacture, repair, convert, alter, let on hire, and deal in machinery implements, rolling stock, and hardware of all kinds and to carry on all other business (manufactured by or otherwise) which may seem to the Agent Sheth Mafatlal Gagalbhai or the Company capable of being conveniently carried on in connection with the above or otherwise calculated directly or indirectly to enhance the value of the Company's property and rights for the time being.
- (13) To carry on at Nadiad or Ahmedabad and elsewhere the business of a steam and general laundry and to wash, clean, purify, scour, bleach, wring, dry, iron, colour, dye, disinfect, renovate and prepare for use of articles of wearing apparel household, domestic and other linen and cotton, silk and woolen goods and manufacturers and clothing and fabrics of all kinds and to buy, sell, hire, manufacture, repair, let on hire, alter, improve, treat and deal in all apparatus, machines, materials and articles of all kinds which are capable of being used for any such purposes.
- (14) To carry on the business of manufacturers of bricks, tiles, pipes, pottery earthenware, china and terra cotta and ceramicware of all kinds and to carry on the business of and manufacturers of and dealers in artificial stone whether for building, paving or other purposes.
- (15) To provide clean, comfortable and inexpensive accommodation to workmen and others and in connection therewith to afford to such persons facilities and convenience at cheap rates for washing, bathing, cooking and to open kitchens etc. at the expense of the Company for the said purpose.
- (16) To carry on the business of mill and other kinds of store suppliers and keepers both wholesale and retail and to transact all and every kind of Agency business.
- (17) To purchase, take on lease, or otherwise acquire, any mines, mining rights and metalliferous land in British India, or in the Native States of British India and elsewhere in the whole world and any interest therein and to explore, work, exercise, develop and turn to account the same and to crush, win, get, quarry, smelt, calcine, refine, dress, amalgamate, manipulate and prepare for market or metal and mineral or chemical substances of all kinds, to buy and sell all things connected with the above objects and to construct all works needed for the same.
- (18) To carry on business as timber merchants, saw-mill proprietors and timber or cotton growers and to buy, sell, grow, prepare for market cotton and wool of all kinds to and to buy, lease or acquire in any way building and lands, plant trees, prepare crops, buy implements.
- (19) To start and provide from the insurance moneys to be set apart from the profits of and otherwise of the Company special fire insurance funds against injury or damage to or loss of property of the Company and to insure the property of the Company in any insurance Companies whatever.

- (20) To carry on business as proprietors of plots and lands and to let on lease or otherwise apartments or plots therein and to provide for the tenants and occupiers thereof all necessary conveniences.
- (21) To receive money, securities and valuable of all kinds on deposit at interest or for custody and generally to carry on the business of a safe deposit Company.
- (22) To accumulate capital from profits of the Company for any of the purposes of the Company and to appropriate the same or any of the Company's assets either conditionally or unconditionally to specific purpose at the instance of the Agent Sheth Mafatlal Gagalbhai or the Company itself.
- (23) To indemnify the Members, Officers, Directors, Agents and servants of the Company against proceedings, costs, damages, claims and demands in respect of anything done or ordered or caused to be done by them for and in the interest of the Company.
- (24) To carry on in Nadiad, Ahmedabad and elsewhere wherever possible the business of an electric stores power or light Company in all its branches and in particular to construct, laydown, establish, fix and carry out all necessary cables, wires, lines accumulation lamp works, stores and to generate, accumulate, distribute and supply electricity and to light cities, towns, streets, markets, buildings and places both private and public and to carry on the business of electricians, electric engineers and contractors, mechanical engineers, suppliers of electricity for the purpose of light, heat, motive power or otherwise and manufacturers of and dealers in all apparatus and things required for or capable of being used in connection with the generation, distribution, supply accumulation and employment of electricity.
- (25) To supply the town or suburbs or buildings, etc., in the city and suburbs of Nadiad and the neighbourhood thereof with water and to carry on the business of a water works Company in all its branches, to sink well and shafts and to make, build and construct, lay down and maintain reservoirs, water-works, cisterns, culverts, filterbeds, main and other pipes and appliances and to execute and do all other works or things necessary or convenient for obtaining, storing, selling, delivering, measuring and distributing water or otherwise for the purposes of the Company.
- (26) To formally acquire and take over as a going concern the property in Nadiad and suburbs of the Nadiad Swadeshi Mills Company (in compulsory liquidation) finally sold at public auction on the 5th September 1912 for Rs. 6,26,000 by the District Judge of Ahmedabad to Sheth Mafatlal Gagalbhai the prime shareholder and sole and exclusive manager of this Company, for and on behalf of this Company sale of which was confirmed on 7th September 1912, and all or any of the assets and liabilities of the said Sheth Mafatlal Gagalbhai in connection with the said sale and with a view thereto to enter into the agreement and documents of sale, etc, with the Official Liquidators and the Trustees of the Debentureholders of the said Nadiad Swadeshi Mills in conformity with the conditions of sale under which the said Company's properties were purchased and any legal or proper orders passed thereunder by the District Judge of Ahmedabad and to carry the same into effect with or without modification.

- (27) To appoint the firm of Messrs. Mafatlal Chandulal and Company of which the present Chief Member is Sheth Mafatlal Gagalbhai or whatever member or members that firm may for the time being, consist of and notwithstanding any change that may take place by addition of new partners or by the death or retirement of any partner from time to time the sole Managing Agents being all through Sheth Mafatlal Gagalbhai or his heirs or assigns during his and their respective life or lives or such nominees, or persons whom he or they should choose to appoint as Managing Agents and with such powers as they like, to be the Agents of the Company until they resign upon the terms of agreement annexed herewith or with all such modification as may be settled on between Sheth Mafatlal Gagalbhai and the Company.
- (28) The said Sheth Mafatlal Gagalbhai, his heirs, executors, administrators and assigns or his or their nominees, etc., shall at all times be the sole Managing Agents of the Company the other partners and their heir, executors, administrators, and assigns being entitled to only their respective shares to the commission as may be fixed upon by their partnership agreements entered or to be entered into with them.
- (29) To enter into, execute and carry into effect the arrangement made between the Company and Sheth Mafatlal Gagalbhai, Mr. C. Shorrocks, Sheth Chandulal Acharatlal and Sheth Manilal Gagalbhai their respective heirs, executors, administrators and assigns for securing to each of them severally and independently of each other direct from the Company, their respective shares in the Agency Commission, in consideration of Sheth Mafatlal Gagalbhai floating and working the Companies as Agent and the remaining three in floating and otherwise assisting the Company into coming into existence, etc., and to purchase the property of the Nadiad Swadeshi Mills Company (in liquidation) and to execute agreements with each of the above said four persons in the form set forth in Annexures A and B hereto with such modifications as may be agreed to between the Company and the above-named four persons.
1. **Sheth Mafatlal Gagalbhai**
 2. **Mr. C. Shorrocks**
 3. **Sheth Chandulal Acharatlal**
 4. **Sheth Manilal Gagalbhai**
- (30) To enter into, execute and carry into effect the arrangement made between the Company and each of the depositors hereinafter mentioned for securing to them their respective heirs, executors, administrators and assigns their respective shares in the Agency Commission in consideration of the monetary assistance rendered by the said depositors for floating the Company to enable the Company to purchase the property of the Nadiad Swadeshi Mills Company (in liquidation) and to execute agreements with each of the said depositors agreements in the form set forth in Annexure C hereto with such modifications as may be agreed to between the Company and the said depositors.

Name	Shares Commissions
Parikh Jeshingbhai Ujamshi	1/16
Momna Chandbhai Mahomadbhai	1/32
BaiMathuri widow of Parikh Chunilal Vrajbhukhandas	3/64
Patel Chandulal Madhavlal	3/128
Parikh Govindlal Maganlal	1/64
Vakil Mulchandbhai Asharam	1/64
Shah Mohanlal Khemchand	1/64
Parikh Jethalal Premanand	1/64
Gordhandas Hargovandas	1/64
Parikh Ratilal Ujamshi minor by his Parikh Govindlal Maganlal	1/128
Patel Natvarlal Bapalal minor by his maternal grand father Shivilal Kahandas	1/128
Soni Chhotalal Chunilal	1/128
Soni Pitamberdas Chunilal	1/128
Desai Jeshangbhai Nathubhai	1/128
Parikh Ratilal Chandulal Jeshangbhai minor by his mother Sobhagvahu	1/128
Patel Kalidas Jethabhai	1/128
Patel Chunilal Laldas	1/128
Parikh Chhotalal Damodardas	1/128
Parikh Amratlal Dalsukhbhai	1/128
Dalal Vadilal Acharatlal	1/128
Shah Nanshah Mansukhram	1/128
Shah Nathalal Kalidas	1/128
Tarkas Girdhardas Nathubhai	1/128
Shah Nansha Kalidas	1/128
Patel Dalsukhram Hemchand	1/128
Shah Vadilal Sarabhai	1/128
Patel Bhogilal Chhagulal	1/128
Patel Bhogilal Malukchand	1/128
Patel Ramdas Bhagawandas	1/128
Parikh Jethabhai Girdhar (Umreth)	1/128
Selat Vrajlal Bhaishanker	1/128
Patel Narotamdas Lallubhai	1/128
Parikh Jekishandas Ishwardas	1/128
Parikh Premanand Narandas	1/128
Parikh Bapalal Pitamberdas	1/128
Shah Motilal Nanabhai	1/128
Desai Dungarbhai Jijibhai	1/128
Patel Chandulal Balakhidas	1/128
Patel Vrijbhukhandas Sankalchand	1/128
Parikh Vrijvalvdas Umedram	1/128
Patel Harikishandas Sankalchand	1/128

Name	Shares Commissions
Mr. H. Harwood	1/128
Mr. F. B. Straton Patel	1/128
Maneklal Chamanlal	1/128
Minor Parmukhlal Gebilal by his next friend his Mother BaiDhiraj	1/128
Girdharlal Uttamram	1/128
Chandulal Chamanlal	1/128
Jeshangbhai Kalidas	1/128

- (31) To pay Sheth Mafatlal Gagalbhai as preliminary expenses all expenses incurred by him for the purchase of the Nadiad Swadeshi Mills Company Limited from the District Court and for the formation of this Company as well as its documents, deeds, agreements etc. including all the necessary legal expenses already incurred or to be hereby and hereafter likely to be incurred in connection with the preservation, establishment, etc., of the rights of the Company as well as all the expenses incurred or likely to be incurred in and for its working till the date of registration.
- (32) To carry on any other concern or business whether manufacturing, selling, purchasing etc., or otherwise, which may seem to the Agent Sheth Mafatlal Gagalbhai or to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly, remotely or proximately to enhance the value of or render profitable any of the Company's business, rights or dividend earning powers.
- (32A) To undertake, carry out, promote and sponsor rural development including any programme for promoting the social and economic welfare, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing, "Programme of rural development" shall also include any programme for promoting the social and economic welfare of or the uplift of the public in any rural area which the Directors consider it likely to promote and assist rural development, and that the words "rural area" shall include such areas as may be regarded as rural areas under Section 35CC of the Income-tax Act, 1961, or any other law relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement, any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any public Institutions or Trusts or Funds as the Directors may approve.
- (32B) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of the public or any section of the public and in such manner and by such means as the Directors may think fit and the Directors may without

prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting, or assisting any institution, fund, trust, etc, having any one of the aforesaid objects as one of its objects, by giving donations or otherwise in any other manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Central or State Government or any public Institutions or Trusts or Funds as the Directors may approve.

- #(33) To acquire and undertake the whole or any part of the business, property and liability of any company, firm or person carrying on any business or businesses which the Company is authorised to carry on or possessed of property suitable for the purpose of the Company. To enter into any type of scheme for reorganising the business and structure of the Company including merger, demerger, any other scheme of arrangement for reorganising.”
- (34) To apply for, purchase, or otherwise acquire, any patents, brevets, inventions, licenses, concessions and the like conferring any exclusive or non-exclusive or limited rights to use or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licenses in respect of or otherwise to account the property, rights or information so acquired.
- (35) To enter into partnership or agreement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession or otherwise, with any person or Company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company and to lend money to, guarantee the contracts of or otherwise assist, any such Company and to sell, hold, re-issue with or without guarantee or otherwise deal with the same.
- (36) To take or otherwise acquire and hold shares in any other person, firm or Company having objects altogether or in part similar to those of this Company or capable of being conducted so as directly or indirectly to benefit this Company.
- (37) To enter into any arrangements with any authorities local boards, municipalities, State, Native and Foreign, Governments, British or Foreign or any authorities, supreme or otherwise that may seem conducive to the Company’s objects or any of them, and to obtain from any such State, Governments or Authorities any rights, privileges and the concessions which the Agent Sheth Mafatlal Gagalbhai or the Company may think it desirable to obtain, and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.

Amended as per Special Resolution passed at the 109th Annual General Meeting held on 3rd August, 2023.

- (38) To establish and support or aid in the establishment and support of association, institutions, funds, trusts and conveniences, calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons and to grant pensions, donations, grants and allowances, and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any public general or useful object.
- (39) To promote any Company or Companies for the purpose of acquiring all or any of the property and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.
- (40) Generally to purchase, take on lease, or in exchange, hire, or otherwise acquire, any real or personal property and any rights or privileges which the Agent sheth Mafatlal Gagalbhai or the Company may think necessary or convenient for the purpose of its business and in particular any land, buildings, easements, machinery, plant and stock in trade.
- (41) To construct, maintain and alter any buildings or work necessary or beneficial for the purposes of the Company and to lay out land for building purposes and to build on, improve, let on building leases, advance money to persons building on, and otherwise develop the same, in such manner as may seem expedient to Agent Sheth Mafatlal Gagalbhai for the advancement of the Company's interests.
- (42) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be thought fit by Sheth Mafatlal Gagalbhai or by the Company.
- (43) To lend, deposit or advance money, securities and property to such persons, firms or Companies, limited or otherwise and on such terms as may seem expedient and in particular to customers, sellers and other persons dealing with the Company and to guarantee the performance of contracts by any such persons.
- (44) To amalgamate with any other Company having objects altogether or in part similar to those of this Company.
- (45) To distribute any of the property of the Company in specie among the members.
- (46) To borrow or raise or secure the payment of money in such manner as the Company shall think fit, and in particular by the issue of debenture or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital, and to purchase, mortgage, redeem or pay off any such debentures or securities.
- (47) To purchase or otherwise acquire, on such terms and in such manner as the regulations of the Company from time to time provide any shares in the Company's capital.
- (48) To remunerate any person, firm or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital or any debenture, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the conduct of its business or any Company or Companies under the objects herein before or hereinafter mentioned.

- (49) To draw, make, accept, endorse, discount, execute, issue, deal in promissory notes, bills of exchange, bonds, debentures, bills of lading, warrants, debentures and other negotiable or transferable instruments securities or documents.
- (50) To transact all kinds of agency business.
- (51) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this company.
- (52) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of interest and by granting prizes, rewards and donations.
- (53) To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose off, turn to account or otherwise deal with all or any part of the property and rights of the Company.
- (54) To do all or any of the above things in any part of the world as principal, Agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with other persons, firm or Companies, either independent or of the ownership or partnership of the Agent Sheth Mafatlal Gagalbhai.
- (55) To do all such other things as are incidental or conducive to the attainment of the above objects.
- (56) And it is hereby declared that the word Company in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or not and domiciled in British India, the United Kingdom of Great Britain, Ireland and Scotland or the rest of the British Dominions or elsewhere and the intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph be in no wise limited or restricted by or in reference to or inference from the terms of any other paragraph of the name of the Company.
- * (57) To carry on business of manufacturing, producing, assembling, dealing in or trading in (including import & export of) all types of clothing and fashion accessories and articles including rain wear, winter wear, footwear, sanitary wear, sportswear, all types of student accessories and useful articles, all types of stationery including books, all types of paper, plastic & fabrics products, all types of things, material and accessories, related to education, sports, medicinal services or other usages, made of any materials.
- *(58) To carry on business of manufacturing, producing, assembling, dealing in or trading in (including import and export of) all types of Commodities including agro and metal commodities, home and other furnishings, furniture articles made of any type of materials including studded, carved, antiques, man made or otherwise, all types of instruments, equipment and materials useful for hospital and/or medical services, hardware products

* Amendments made in terms of the Special Resolution passed on 14th August, 2015, passed by the shareholders through postal ballot, with requisite majority.

and materials including building materials, and all other components and metal and wooden products and for that purpose to buy and any such products or articles and to manufacture and any components, products or articles as may be necessary for the said purpose.

*(59) To deal in all types of forward contracts and derivative products in commodities, domestic and foreign currencies including cross currency and interest swaps allowed for trading in domestic and international market, dealings/trading in/of all types of commodities including physical delivery and trading.

IV. The liability of the members is limited.

V. The Authorised Capital of the Company is Rs. 100,00,00,000 (Rupees One Hundred Crores) divided into 1,00,00,000 (One Crore) Shares of Rs. 100 (Rupees one hundred) each with power to increase or decrease the capital of the Company or to decrease the number of shares or to increase or decrease the face value of the shares in accordance with the Act in force from time to time. The shares in the capital for the time being whether original or increased may be divided into several classes with any preferential, special qualified or deferred rights, privileges or conditions attached thereto.

Amendments made in terms of the Ordinary Resolution passed at the Annual General Meeting of the Company held on 8th August, 1992 as per the provisions of Section 97 of the Companies Act, 1956.

The original Capital of the Company was Rs. 3,25,000/- divided into 1,300 Ordinary Shares of Rs. 250/-each. Thereafter by a Resolution passed at the Extra Ordinary General Meeting held on 9th August, 1940, the Capital was subdivided into 2,600 Ordinary Shares of Rs. 125/-each. At the same Meeting a sum of Rs. 16,25,000 was capitalised out of Undivided profits of the Company standing to the credit of Reserve Fund and the capital was raised to Rs. 19,50,000/- divided into 15,600 Ordinary Shares of Rs. 125/- each.

By a Resolution passed at the Extra Ordinary General Meeting of the Company held on 15th August, 1948, a sum of Rs. 19,50,000/-being a part of the Undivided profits of the Company standing to the credit of Reserve Fund was further capitalised by the creation of 15,600 Ordinary Shares of Rs. 125/-each and thus the Capital of the Company was raised to Rs. 39,00,000/- divided into 31,200 Ordinary Shares of Rs. 125/- each.

By a Resolution passed at the Extra Ordinary General Meeting of the Company held on 27th December, 1957, a sum of Rs. 13,00,000/- being part of the Undivided profits of the Company standing to the credit of General Reserve was further capitalised by the creation of 10,400 Ordinary Shares of Rs. 125/- each and thus the Capital was raised to Rs. 52,00,000/- divided into 41,600 Ordinary Shares of Rs. 125/-each. By a Resolution passed at the Extra Ordinary General Meeting of the Company held on 27th October, 1960, the Scheme of Amalgamation between the ShorrockSpg. & Mfg. Co. Ltd. and the Company was sanctioned by the High Court of Gujarat and in view of the said Scheme of Amalgamation the Authorised and Subscribed Capital of the Company was increased from Rs.52,00,000/-to Rs.70,28,125/- by the creation of 14,625 Ordinary Shares of Rs. 125/-each. And these shares were allotted to the holders of the Ordinary Shares in the ShorrockSpg. & Mfg. Co. Ltd, in the proportion,of one such share for every two shares held in the said Shorrock Spg. & Mfg. Co. Ltd.

* Amendments made in terms of the Special Resolution passed on 14th August, 2015, passed by the shareholders through postal ballot, with requisite majority.

By a Resolution passed at the Extra Ordinary General Meeting of the Company held on 13th October, 1961, a sum of Rs. 28,11,250/- was capitalised out of the amount standing to the credit of 'Share Premium Account ' by the creation of 22,490 Ordinary Shares of Rs. 125/- each and thus the Capital of the Company was raised to Rs. 98,39,375/- divided into 78,715 Ordinary Shares of Rs. 125/- each.

By a Resolution passed at the Extra Ordinary General Meeting held on 23rd September 1963, a sum of Rs. 14,05,625/- was capitalised out of the amount standing to the credit of Share Premium Account by creating 11,245 Ordinary Shares of Rs. 125/- each. At the same Meeting it was decided to issue 40 shares for cash consideration to round off the Capital of the Company to Rs. 1,12,50,000/- and number of Shares to 90,000. These 40 Shares were sold through Stock Exchange, Ahmedabad, at best available market price. By a Resolution passed at the Fifty-fourth Annual General Meeting held on 30th April 1966 a sum of Rs. 12,50,000/- was capitalised out of the amount standing to the credit of 'Share Premium Account' by the creation of 10,000 Ordinary Shares of Rs. 125/- each and thus the Capital of the Company was raised to Rs. 1,25,00,000/- divided into 1,00,000 Ordinary Shares of Rs. 125/- each.

By a Resolution passed at the Extra Ordinary General Meeting held on 30th September 1967 a sum of Rs. 1,25,00,000/- representing the aggregate of the balance standing to the credit of the Share Premium Account a sum of Rs. 38,93,000.89 P. and an amount of Rs. 86,06,999.11 P. out of the balance standing to the credit of General Reserve No.1 was capitalised by the creation of 1,00,000 Ordinary Shares of Rs. 125/- each and thus the Capital of the Company was raised to Rs. 2,50,00,000/- divided into 2,00,000 Ordinary Shares of Rs. 125/- each.

As per Resolution passed by the Shareholders at their Meeting held on 23rd January, 1971, the Scheme of Amalgamation of M.G. Investment&Industrial Co. Ltd. with this Company was sanctioned by the High Court of Gujarat and in view of the said Scheme of Amalgamation 4,020 Ordinary Shares of Rs. 125/- each of the Company credited as fully paid-up were allotted to the holders of the Ordinary Shares of Rs. 100/- each in M.G. Investment& Industrial Co. Ltd., in the proportion of two such Shares of Rs. 125/- each in the Company for every five Shares of Rs. 100/- each held by them in M. G. Investment & Industrial Co. Ltd. and the Issued, Subscribed and Paid-up Capital was increased to Rs. 2,55,02,500/- divided into 2,04,020 Ordinary Shares of Rs. 125/- each.

As per Resolution passed by the Shareholders at their Meeting held on 28th March, 1973, the Scheme of Amalgamation of Mafatlal Gagalbhai & Co. Pvt. Ltd., with this Company was sanctioned by the High Court of Gujarat and in view of the said Scheme of Amalgamation, 2,02,100 Ordinary Shares of Rs. 125/- each of the Company credited as fully Paid-up were allotted to the holders of the Ordinary Shares of Rs. 100/- each in Mafatlal Gagalbhai & Co. Pvt. Ltd., in the proportion of one such Share of Rs. 125/- in the Company for every one share of Rs. 100/- held by them in Mafatlal Gagalbhai & Co. Pvt. Ltd., and the Issued, Subscribed and Paid-up Capital was increased to Rs. 5,07,65,000/- divided into 4,06,120 Ordinary Shares of Rs. 125/- each. Further in terms of the said Scheme of Amalgamation and as per the Order of the High Court of Gujarat, the Issued, Subscribed and Paid-up Capital of the Company was reduced from Rs. 5,07,65,000/- divided into 4,06,120 Ordinary Shares of Rs. 125/- each to Rs. 3, 78,80,375/- divided into 3,03,043 Ordinary Shares of Rs.

125/- each by cancellation of 1,03,077 Ordinary Shares of Rs. 125/- each of the Company held by the said Mafatlal Gagalbhai & Co. Pvt. Ltd.

By Resolution passed at the 62nd Annual General Meeting of the Company held on 14th August, 1974, a sum of Rs. 1,89,40,125/- (Rs.75,75,000/- out of the Capital Redemption Reserve and Rs. 1,13,65,125/- out of General Reserve No. 1) was capitalised by the creation of 1,51,521 Equity Shares of Rs. 125/- each credited as fully paid Bonus Shares and thus the Issued, Subscribed and Paid-up Capital of the Company was increased to Rs. 5,68,20,500/- divided into 4,54,564 Equity Shares of Rs. 125/- each.

As per the Resolution passed at the Extra Ordinary General meeting of the Company held on 17th November, 1975 and the consent of the Controller of Capital Issues, the Issued, Subscribed and Paid-up Capital of the Company was increased to Rs. 6,75,00,000/- divided into 5,40,000 Equity Shares of the Company of Rs. 125/- each by the Issue of 85,436 Equity Shares of Rs. 125/- each at a premium of Rs. 125/- per Share (37,730 Shares were offered as Right Shares and 47,706 Shares were offered to Public by Prospectus).

By Resolution passed at the 66th Annual General Meeting of the Company held on 12th August, 1978, a sum of Rs. 1,35,00,000/- (Rs. 1,06,79,500/- from Share Premium Account and Rs. 28,20,500/- from General Reserve) was capitalised by the creation of 1,08,000 Equity Shares of Rs. 125/- each credited as fully paid Bonus Shares issued in the ratio of 1:5. Thus, the Issued, Subscribed and Paid-up Capital of the Company was increased to Rs. 8,10,00,000/- divided into 6,48,000 Equity Shares of Rs. 125/- each.

By Resolution passed at the 74th Annual General Meeting of the Company held on 23rd August, 1986, the face value of the Equity Shares of the Company was converted from Rs. 125/- to Rs. 100/- per share. In view of this, the Issued, Subscribed and Paid-up Capital of the Company stood at Rs. 8,10,00,000/- divided into 8,10,000 Equity Shares of Rs. 100/- each. At the said Meeting Resolution was passed for increase of Authorised Capital of the Company from Rs. 10 Crores to Rs. 50 Crores divided into 50 Lacs Shares of Rs. 100/- each.

As per Board Resolution dated 13th November, 1986 and as per Resolution passed at the Extra Ordinary General Meeting held on 24th June, 1987, and the Consent of the Controller of Capital Issues, New Delhi, vide letter No. R. 891/CCI/86 dated 27th February, 1987, 8,10,000 Equity Shares and 40,500 Equity Shares of Rs. 100/- each with a premium of Rs. 200/- per Share were offered to Shareholders as Right Shares in the ratio of 1:1 and employees of the Company, respectively. As per Board Resolution dated 14th December 1987, 5,34,839 Equity Shares were allotted as Right Shares to Shareholders and 161 Equity Shares were allotted to employees of the Company on which Rs. 50/- per Share are paid. Thus the total Paid-up Capital is increased from Rs. 8,10,00,000/- to Rs. 10,77,50,000/-.

As per Board Resolution dated 11th June, 1992 and as per the resolution passed at the 80th Annual General Meeting held on 8th August, 1992, 13,45,000 Equity Shares and 67,250 Equity Shares of Rs. 100/- each with a Premium of Rs. 400/- per Share were offered to the Shareholders in the ratio of 1:1 and the employees of the Company, respectively. As per Board Resolution dated 10th December, 1992 and 23rd December, 1992 13,26,258 and 18,742 Equity Shares were allotted as Right Shares to Shareholders and by a Board Resolution dt. 21st February, 1994, 50,556 Equity Shares were allotted to employees of the Company. Thus the issued, subscribed & Paid up Capital is increased from Rs. 13,45,00,000/- to Rs. 27,40,55,600/-.

As per the Board Resolution dated 14th July, 1994, 14,82,500 Equity Shares allotted to FIIS, NRIs, OCBs, Fis & MFs and Promoters' Group on conversion of 14,82,500 fully Convertible Debentures allotted to them. Thus the Subscribed & Paid-up Capital was increased from 17,40,55,600/- divided into 27,40,556 equity Shares to Rs.42,23,05,600/- divided into 42,23,056 Equity Shares of Rs.100/- each.

As per Resolution passed at the Board Meeting of the Company held on 31st October, 1996, 7,76,944 Equity Shares allotted to the Shareholders of Mafatlal Fine Spg. & Mfg. Company Limited pursuant to the Scheme of Amalgamation of Mafatlal Fine Spg. & Mfg. Co. Ltd., with the Company fully paid-up. Thus the Subscribed & Paid-up Capital was increased from Rs.42,23,05,600/- divided into 42,23,056 Equity Shares of Rs.100/- each to Rs.50,00,00,000/- divided into 5,00,000 Equity Shares of Rs.100/- each.

As per the BIFR Order dated 30th October, 2002, sanctioning the Rehabilitation Scheme of the Company the face value of the Equity Shares of the Company was reduced from RS.100/- to Rs.10/- per Equity Share. Balance face value of Rs.90/- per Equity Share were adjusted against the losses incurred by the Company. Thus the Subscribed and Paid-up Capital stood at Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs.10/- each.

As per Board Resolution dated 12th November, 2009 and in terms of Modified Scheme sanctioned by BIFR 3,00,00,000 Optionally Convertible Fully Redeemable Non-cumulative Preference Shares of RS.10/- each were converted into 48,13,860 Equity Shares of Rs.10/- each at a premium of Rs.52.32 per Equity Share Thus the Subscribed and Paid-up Capital increased from Rs. 5,00,00,000/- divided into 50,00,000 Equity Shares of Rs.10/- each to Rs.9,81,38,600/- divided into 98,13,860 Equity Shares of Rs.10/- each -Less: Allotment Money / Calls in arrears Rs.6,000/- Thus the Subscribed and Paid-up Capital is reduced from Rs.9,81,32,600/- divided into 98,13,859 Equity Shares.

Pursuant to the Scheme of Amalgamation of Mafatlal Denim Limited with the Company sanctioned by Hon'ble High Court of Gujarat vide Order dated 8th April, 2013, and as per the Resolution passed by the Board of Directors of the Company at its Meeting held on 30th May, 2013, the Company allotted 40,99,415 Equity Shares of Rs.10/- each to the Shareholders of Mafatlal Denim Limited in the ratio of one such Share for every 10 Equity Shares held in Mafatlal Denim Limited. Further, pursuant to the said Order Mishapar Investments Limited (wholly owned Subsidiary of the Company) also amalgamated with the Company. Mishapar Investments Ltd., held 338 Equity Shares of the Company. As the Company cannot hold its own shares the said 338 Equity Shares were cancelled pursuant to the said Board Resolution dated 30th May, 2013. Thus the Subscribed and Paid-up Capital of the Company increased from Rs.9,81,38,590/- divided into 98,13,859 Equity Shares of Rs.10/each to Rs.13,91,28,860/- less Rs.6,120/- being allotment money/ Calls In arrears Rs.13,91,22,740/- divided Into 1,39,12,886 Equity Shares of Rs.10/- each.

- * **The Authorized Share Capital of the Company is INR :100,00,00,000/- (Indian Rupees One Hundred Crore only), divided into**
- (I) **35,00,00,000 (Thirty-Five Crore Only) equity shares of INR 2/- (Indian Rupees Two only) each.**
 - (II) **3,00,00,000 (Three Crore Only) preference shares of INR 10/- (Indian Rupees Ten only) each.**

* Amendment made in terms of the Ordinary Resolution passed on 7th November, 2022, passed by the shareholders through postal ballot, with requisite majority.

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

No.	Name, address and Description of Subscriber	Place	Number of Shares taken by each subscriber
1.	Colinson Shorrock	Ahmedabad	100 One hundred
2.	Mafatlal Gagalbhai	Ahmedabad	1001 One thousand and One
3.	Patel Gagalbhai Nathubhai	Ahmedabad	5 Five
4.	Patel Manilal Gagalbhai	Ahmedabad	5 Five
5.	Chandulal Acharatlal	Ahmedabad	100 One hundred
6.	Bapalal Pitamberdas	Ahmedabad	1 One
7.	Damodardas Amratlal	Ahmedabad	1 One

Total Shares taken

Dated the 16th day of January 1913

Witness to we above signatures :

Atmaram Kashinath

ARTICLES OF ASSOCIATION
MAFATLAL INDUSTRIES LIMITED

TABLE "A" EXCLUDED

Table "A" not to apply

1. The regulations, contained in the table marked "A" in Schedule I of the Companies Act, 1956 (hereinafter called the Act or the said Act) shall not apply to the Company except so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

Company to be governed by these Articles

The regulations for the management of the Company and for the observance of the member thereto and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alterations of or addition to the regulations by Special Resolution as prescribed or permitted by section 31 of the Act, be such as are contained in these Articles.

INTERPRETATION

Marginal notes not Authoritative

2. The marginal notes hereto shall not affect the construction hereof.

In these Articles, unless there be something in the subject or context inconsistent therewith:

Interpretation clause

"Alter"

"Alter" and "Alteration" shall include the making of additions and omissions.

"The Company"

"The Company" means "**MAFATLAL INDUSTRIES LIMITED**".

"Body Corporate"

"Body Corporate" or "Corporation" includes a company incorporated outside India but does not include a corporation sole.

"A Company"

"A Company" shall include a company as defined in section 3 of the Act.

"The Act."

"The Act" or "the said Act" means the Companies Act I of 1956 and subsequent amendments and other Acts for the time being in force in India containing the provisions of the Legislature in relation to companies.

"The Directors"

"The Directors" means the Directors for the time being of the Company or as the case may be, the Directors assembled at a meeting of the Board or acting by circular under the Articles.

"Debenture"

"Debenture" includes debenture-stocks, bonds and other securities of the Company, whether constituting a charge on the assets of the Company or not.

"Document"

"Document" includes summons, notice, requisition, order, other legal process and registers, whether issued, sent or kept in pursuance of this or any other Act or otherwise.

"Dividend "

"Dividend" includes bonus.

"Board"

"Board" means a meeting of the Directors duly called and constituted or as the case may be, the Directors assembled at a Board meeting or acting by circular under the Articles.

"Member"

"Member" shall mean shareholder and vice-versa.

"Month"

"Month" means calendar month.

"Office"

"Office" means the Registered Office for the time being of the Company.

"Ordinary Resolution" and "Special Resolution"

"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned to these terms by Section 189 of the Act.

"These presents"

"These presents" means these Articles of Association as originally framed or as altered from time to time by Special Resolution.

"Paid up"

"Paid up" includes credited as paid up.

"Public Holiday"

"Public Holiday" means a public holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881) provided that no day declared by the Central Government to be a public holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.

"Variation"

"Variation" shall include abrogation; and "Vary" shall include abrogate.

“The Seal”

“The Seal” means the Common Seal of the Company for the time being.

“Writing”

“Writing” shall include printing, lithography and any other mode or modes of representing or reproducing words in a visible form or partly one and partly the other.

“Words importing the singular number shall also include the plural number and vice-versa. Words importing the masculine gender shall also include the feminine gender.

“Corporation”

“Corporation” shall include a company whether incorporated and formed under the Act or not.

“Persons”

“Persons” shall include corporation as well as individuals.

Expressions in the Act to bear the same meaning in Articles

Subject as aforesaid, any words or expressions defined in the Act shall, except where the subject or context forbids, bear the same meaning in these Articles.

Copies of the Memorandum and Articles to be furnished by Directors

3. The Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Re. 1/- (Rupee one) a copy each of the following documents as in force for the time being;
 - (a) the Memorandum.
 - (b) the Articles, if any,
 - (c) the Agreement, if any, entered into or proposed to be entered into by the Company with any person appointed or to be appointed as Managing Director to be styled as President and whole time director to be styled as Executive Vice-President.
 - (d) every other agreement and every resolution referred to in Section 192 of the Act if and in so far as they have not been embodied in the Memorandum or Articles.

Companies funds may not be applied in purchase of or lent on shares of the Company

4.
 - (1) The Company shall not have power to buy its own shares, unless the consequent reduction of Capital is effected and sanctioned in pursuance of Sections 100 to 104. or of Section 402 of the Act.
 - (2) The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provisions of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any shares in the Company or in its holding Company. Provided that nothing in this clause shall be taken to prohibit :
 - (a) the provision in accordance with any scheme for the time being in force, of money for the purchase of, or subscription for, fully paid shares in the Company or its holding company being a purchase or subscription by trustees of or for shares to be held by or for the benefit of employees of the Company including any Director holding a salaried office or employment in the Company, or

- (b) the making by the Company of loans within the limit laid down in Sub section of Section 77 of the Act to persons (other than Directors, or Managers) bona-fide in the employment of the Company, with a view to enabling those persons to purchase or subscribe for, fully paid shares in the Company or its holding company to be held by themselves by way of beneficial ownership.
 - (3) No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed the amount of his salary or wages at that time for a period of six months.
 - (4) Nothing in this Article shall affect the right of the Company to redeem any shares issued under Section 80 of the Act, or under any corresponding provision in any previous Company Law.
5. DELETED By special Resolution Passed at the 74th AGM of the Company held on 23rd August, 1986 at 9.30 A.M.

Capital of two kinds only

6. The share Capital of the Company which may be issued after the commencement of the companies Act, 1956 shall be of two kinds, viz
- (a) equity Share Capital and
 - (b) Preference Share Capital.

Provisions of Sections 85 to 90 of the Act to apply

7. The provisions of Section 85 to 90 of the Act in so far as the same may be applicable shall be observed by the Company.

Register of Members

8. (1) The Company shall cause to be kept at its registered office or at such other place as may be decided by the Board of Directors, the Registrar and Index of Members in accordance with Sections 150 and 151 and other applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with the details of shares held in physical and dematerialized form in any media as may be permitted by law including in any form of electronic media. The Company may also keep a Foreign Register of Members and Debenture holders in accordance with Section 157 of the Act. (Substituted by Special Resolution Passed at 87th Annual General Meeting Dated 30-3-2000)
- (2) The Company shall also comply with the provisions of Section 159 and 161 of the Act as to filing Annual Returns.
- (3) The Company shall duly comply with the provisions of Section 162 of the Act in regard to keeping of the Registers, Indexes copies of Annual Returns giving inspection thereof and furnishing copies thereof.

Commencement of business

9. The business of the Company may be commenced at such time after registration as the Directors think fit notwithstanding that part only of the shares may have been subscribed for or allotted.

Shares at the disposal of the Directors

10. Subject to the provisions of Section 81 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 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 (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and with the sanction of the Company in General Meeting to give to any person the option to call for any shares either at par or at a premium during such time and for such consideration as the Directors think fit, and may allot and issue shares in the Capital of the Company in payment or part payment for any property sold and transferred or for services rendered to the Company in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Every share transferable etc.

11. (a) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by the Articles of the Company.
- (b) Each share in the Company shall be distinguished by its appropriate number.
- (c) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member to such shares.

Application of premiums received on issue of shares

12. (1) Where the Company issues shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account to be called "the share premium account"; and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, except as provided in this Article, apply as if the share premium account were paid-up Share capital of the Company.
- (2) The share premium account may, notwithstanding anything in clause (1) be applied by the Company :
 - (a) in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
 - (b) in writing off the preliminary expenses of the Company;
 - (c) in writing off the expenses of, or the commission paid or discount allowed on any shares or debentures of the Company; or
 - (d) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

Further issue of Capital

- 13.. When it is proposed to increase the subscribed Capital of the Company by the allotment of further shares the provisions of section 81 of the Act in so far as the same be applicable shall be complied with.

14.. Sale of fractional shares

If and whenever as the result of issue of new or further shares or any consolidation or subdivision of shares, any shares become held by members in fractions, the Directors shall subject to the provisions of the Act and the Articles and to the directions of the Company in General Meeting, if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst the members entitled to such shares in due propor-

tion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Acceptance of Shares

- 15.. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of sections 69, 70, 71, 72 and 73 of the Act so far as applicable.

Deposits and call etc. to a Debt To be Payable immediately.

- 16.. The money (If any) which the Director 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 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.

Installments on shares to be duly paid

- 17.. If by the condition of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by instalments, every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

Calls on shares of the same class to be made on uniform basis

18. Where any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class.

Explanation : For the purpose of this provision, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Liability of joint-holders of shares

19. The joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares.

Trust not recognised

20. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami, trust or equity or equitable, contingent, future, or partial or other claim or claims or right to or interest in such Share on the part of any other person whether or not it shall have express or implied notice thereof and the provisions of section 153 of the Act shall apply.

UNDERWRITING AND COMMISSION

Power to pay certain commission and prohibition of payment of all other commissions, discounts etc.

21. (1) The Company may pay a commission to any person in consideration of :
- (a) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in or debentures of the Company, or
 - (b) his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in or debentures of the Company,
- if the following conditions are fulfilled, namely :-
- (i) the commission paid or agreed to be paid does 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;
 - (ii) the amount or rate per cent of the commission paid or agreed to be paid is, in the case of shares or debentures offered to the public for subscription disclosed in the Prospectus, and in the case of shares or debentures not offered to the public for subscription, disclosed in the Statement in lieu of Prospectus and filed, before the payment of the commission, with the Registrar, and where a circular or notice, not being a Prospectus inviting subscription for the shares or debentures is issued, also disclosed in that circular or notice, and
 - (iii) the number of shares or debentures which persons have agreed for a commission to subscribe, absolutely or conditionally, is disclosed in the manner aforesaid;
 - (iv) a copy of the contract for the payment of the commission is delivered to the Registrar at the time of delivery of the prospectus or the statement in lieu of prospectus for registration.
- (2) Save as aforesaid and save as provided in section 79 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance, to any person in consideration of :-
- (a) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in or debentures of the Company, or
 - (b) his procuring or agreeing to procure subscriptions, whether absolute or conditional, for any shares in or debentures of the Company,
- whether the shares, debentures or money be so allotted or applied by being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company or the money be paid out of the nominal purchase money or contract price, or otherwise.
- (3) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has here to before been lawful for the Company to pay.
- (4) A vendor to, promoter of, or other person who receives payment in shares, debentures or

money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received in payment of any commission, the payment of which, if made directly by the Company, would have been legal under section 76 of the Act.

- (5) The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in shares, debentures or debenture-stocks of the Company.

CERTIFICATES

Issue of certificates of Shares to be governed by Section 84 of the Act etc.

22. (1) The issue of Certificates of shares or of renewal or of duplicate of Certificates of shares shall be governed by the provisions of section 84 of the Act and other provisions of the Act as may be applicable and by the Rules or Notifications or Orders, if any, which may be prescribed or made by competent authority under the Act or Rules or any other law. The provisions of Articles 23 to 25 shall be subject to the provisions of section 84 of the Act and of such Rules and Notifications and Orders and in case of inconsistency between the provisions of Articles 23 to 25 therewith the provisions of section 84 of the Act and such Rules, Notifications and Orders shall prevail and shall be complied with.

The provisions of Articles 23 to 25 shall apply to the extent that provision in respect of any matter therein dealt with be not made in section 84 of the Act or other applicable provisions of the Act or the Rules or Notification or Orders prescribed or made under the Act or any law in force governing the same.

Certificate of shares

23. (1) The certificate of title to shares shall be issued under the Seal of the Company Shares and shall be signed by such Directors or Officers or other authorised persons as may be prescribed by the Rules made under the Act from time to time and subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.
- (2) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under section 84 of the Act.

Members' right to Certificate

24. (1) Every member shall be entitled, without payment, to one Certificate for all the shares Certificate of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several Certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such Certificates within the time provided by section 113 of the Act, unless the conditions of issue thereof otherwise provide. Every Certificate of shares shall be under the Seal of the Company and shall specify the number and distinct numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors shall 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 for a share to one of several joint-holders shall be sufficient delivery to all such holders.

issue of new certificate in place of one defaced, lost or destroyed

25. 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 of one defaced,

thereof to the Directors, they may order the same to be cancelled, and may issue a lost or destroyed new Certificate in lieu thereof, and if any Certificate be lost or destroyed then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors 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 this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Re. 1/- for each certificate) as the Directors shall prescribe. Out of pocket expenses incurred by the Company in investigating the evidence as to the loss or destruction shall be paid to the Company, if demanded by the Directors".

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the Rules made under Securities Contracts Regulation Act, 1956 or any other Act, or Rules applicable in this behalf.

CALLS

Calls

26. The Directors may from time to time and subject to section 91 of the Act make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.

Calls to date from resolution

27. A call shall be deemed to have been made at the time when the resolution of Directors authorising such call was passed and may be made payable by members on a subsequent date to be specified by the Directors.

Notice of call

28. Fifteen days notice at the least shall be given by the Company of every call made payable otherwise than on allotment specifying the time and place of payment provided that before the time for payment of such call, the Directors may by notice in writing to the members revoke the same.

Directors may extend time

29. The Directors may from time to time, at their 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 Directors may deem entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

Amount payable at fixed time or by instalments as calls

30. If by the terms of issue of any shares or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the amount of the shares or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given, and all the provisions herein contained in respect of calls shall relate to such amount or instalments accordingly.

When interest on call or instalments Payable

31. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which a call

shall have been made or the instalment shall be due, shall pay interest for the same at such rate not exceeding 9 (nine) per cent per annum as the Directors shall fix, from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Partial Payment not to preclude forfeiture

32. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

Proof on trial of suit on money on shares

33. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any 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 in the Register of Members as the holder or one of the holders, at or subsequently to the date at which the money sought to be recovered is alleged to have become due, of the shares in respect of which 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 sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such calls or any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in anticipation of calls may carry interest

34. (1) The Directors may, if they think fit, subject to the provisions of section 92 of the Act, receive from any member willing to advance the same, all or any part of the sum 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. And the Directors may at any time repay the amount so advanced upon giving to such member three months' notice in writing.
- (2) The member shall not however be entitled to dividend or to participate in profits or to, any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

FORFEITURE, SURRENDER AND LIEN

If call or instalment Not paid notice Must be given

35. (1) If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or instalment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the share by transmission, requiring him to pay such call or instalment or such part thereof or other money as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of Notice

- (2) The notice shall name a day [not being less than 14 (fourteen) days from the date of the notice] and a place or places, on and at which such call, instalment or such part or other moneys as aforesaid and such interest and expenses aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment or such part or other moneys is or are payable will be liable to be forfeited.

In default of payment be forfeited

36. If the requirements of any such notice as aforesaid are not complied with, any share in shares to respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interests and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Entry of forfeiture In Register of Members

37. When any share shall have been so forfeited, an entry of the forfeiture with the date thereof, shall be made in the Register of Members.

Forfeited shares to be property of the Company and may be sold

38. Any share so forfeited shall be deemed to be the property of the Company, and may be sold, reallocated or otherwise disposed of either to the original holder or to any other person upon such terms and in such manner as the Directors shall think fit.

Power to annul forfeiture

39. The Directors may, at any time, before any share so forfeited shall have been sold, reallocated or otherwise disposed of, annul forfeiture thereof upon such conditions as they think fit.

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

40. Any member whose share have been forfeited shall notwithstanding the forfeiture, be liable to pay and forthwith pay to the Company, all calls, instalments, interests, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture, until payment, at such rate not exceeding 9 (nine) per cent per annum as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but shall not be under any obligation to do so.

Surrender of shares

41. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.

Company's lien on shares

42. The Company shall have no lien on its fully paid-up shares. In the case of partly paid-up shares, the Company shall have a first and paramount lien only in respect of all moneys called or payable at a fixed time in respect of such shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares to be wholly or in part exempt from the provisions of this Article.

As to enforcing lien by sale

43. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they shall think fit, but 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 the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment or discharge of such debts, liabilities or engagements for seven days after such notice.

Applications of proceeds of sale

44. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards satisfaction of all moneys called and payable in respect of such shares and the residue (if any) paid to such member or the person (if any) entitled by transmission to the shares so sold.

Certificate of forfeiture

45. A Certificate in writing under the hand of one Director and counter signed by any Officer authorised by the Directors for the purpose, that the call in respect of a share was made and notice thereof given, and that default in payment of the call was made and that the forfeiture of share was made by a resolution of the Directors to that effect shall be inclusive evidence of the facts stated therein as against all persons entitled to such share.

Validity of sales under Articles 43 and 46

46. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Title of purchaser and allottee for forfeited shares

47. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof, and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

Register of Transfers

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

Form of transfer

49. The instrument of transfer of any Share shall be in writing and all the provisions of section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration .

To be executed by transferor and transferee

50. Every such instrument of transfer shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.

Directors may refuse to register transfer

51. (1) The Directors may, at their own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a member of the Company.
- (2) Nothing in sections 108, 109 and 110 of the Act shall prejudice this power to refuse 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.
- (3) If the Company refuses, whether in pursuance of any power under these Articles or otherwise, to register any such transfer or transmission of right, it shall, within two months 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.
- (4) 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 a lien.

Transfer of Shares

The Directors shall comply with the provisions of section. 111 of the Act :-

52. (1) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected, unless the Company gives notice of the application to the transferee and subject to the provisions of clause (4), the Company shall unless objection is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of Members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- (2) For the purpose of clause (1) notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been delivered at the time at which it would have been delivered to him in the ordinary course of post.
- (3) It shall not be lawful for the Company to register a transfer of any shares unless the proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the Certificates relating to the shares and if no such Certificate is in existence, along with the letter of allotment of the shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer. Provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by

the transferor and transferee has been lost, the Company may, if the Directors think fit on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity as the Directors may think fit. The Company shall comply with provisions of Section 108 of the Act.

- (4) If the Company refuses to register the transfer of any shares, the Company shall within two months from the date on which the instrument of transfer is lodged with the Company send to the transferee and the transferor notice of the refusal as provided in Article 51.
- (5) Nothing in clause (3) above shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
- (6) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

Custody of instrument of transfer

53. The instrument of transfer shall after registration be retained by the Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as they may determine.

Closure of transfer books

54. The Directors shall have power, on giving seven day's notice by advertisement as required by section 154 of the Act, to close the transfer books of the Company for such period or periods of time not exceeding on the whole 45 (forty five) days in each year but not exceeding 30 (thirty) days at a time as they deem may fit.

Title to shares of deceased holder

55. The executors or administrators of a deceased member (whether European, Hindu, Mohamedan, Parsi or otherwise not being one or two or more joint-holders) or the holder of a Succession Certificate shall be the only persons whom the Company will bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate unless they shall have first obtained Probate or Letters of Administration or a Succession Certificate as the case may be, from a duly constituted competent Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of Probate or Letters of administration or a Succession Certificate and under the next Article register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

Registration of persons entitled to shares otherwise than by transfer (Transmission Clause)

56. Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy of any member or by any lawful means other than by a transfer in these presents, may with the consent of the Directors (which they shall obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Director shall require, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a Member in respect of such shares provided nevertheless that if such person shall elect to have

his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "the Transmission Clause".

A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

This Article shall not prejudice the provisions of Articles 51 and 57.

Refusal to register nominee

57. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

58. Board may require evidence of transmission

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

Fee on transfer or transmission

59. A fee not exceeding annas eight (fifty naye paise) per share may be charged in respect of the transfer or transmission to the same party, of any number of shares of any class or denomination, subject to such maximum fee on any one transfer or transmission as may from time to time be fixed by the Directors. Such maximum fee may be a single fee payable on any one transfer or on transmission, of any number of shares of one class or denomination comprised in one transfer or transmission or may be fixed in any other manner as the Directors in their discretion determine. The Directors shall have discretion (which they may exercise from time to time and for any period of time) not to charge any fee in respect of the transfer or transmission of shares.

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

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

Transfer of debentures

61. The provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by

operation of law of debentures of the Company.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

Increase of capital

62. The Company may from time to time in General Meeting increase its Share Capital by the issue of new shares of such amount as it thinks expedient.

On what conditions the new shares may be issued

63. (1) Subject to the provisions of sections 80, 81 and 85 to 90 of the Act, the new shares shall be issued upon such conditions and with such rights and privileges may be issued annexed thereto as by the General Meeting creating the same shall be directed and if no direction be given, as the Directors shall determine and in particular, such shares may be issued subject to the provisions of the said sections with a preferential or qualified right to dividends and in distribution of assets of the Company and subject to the provisions of the said sections with a special or without any right of voting and subject to the provisions of section 80 of the Act any preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.
- (2) Unless the Company in General Meeting shall in accordance with the provisions of section 81 of the Act otherwise determine, the provisions of section 81 of the Act shall be complied with, with regard to the offer of such shares.
- (3) Except so far as otherwise provided by the conditions of issue or by these presents any Capital raised by the creation of new share shall be considered part of the original Capital, and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, surrender, voting and otherwise.

Power to Issue redeemable preference shares

64. (1) Subject to the provisions of section 80 of the Act and subject to the provisions on which any shares may have been issued, the Company may issue preference shares which are, or at the option of the Company are to be liable, to be redeemed :

Provided that :

- (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) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's share premium account, before the shares re redeemed;
- (d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the capital redemption reserve account" a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in section 80 of the Act, apply as if the Capital

redemption reserve account were paid-up Share Capital of the Company.

- (2) Subject to the provisions of section 80 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided by the Articles of the Company or the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.
- (3) The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its Authorised Share Capital.
- (4) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares upto the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly the Share Capital of the Company shall not, for the purpose of calculating the fees payable under section 611 of the Act be deemed to be increased by the issue of shares in pursuance of this clause. Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relates to stamp duty be deemed to have been pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.
- (5) the capital redemption reserve account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

Reduction of Capital

65. Subject to confirmation by the Court, the Company may, by Special Resolution, reduce its Share Capital in any way; and in particular and without prejudice to the generality of the foregoing power, may :
- (a) extinguish or reduce the liability on any of its shares in respect of Share Capital not paid up;
 - (b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid-up Share Capital which is lost or unrepresented by any assets; or
 - (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up Share Capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum by reducing the amount of its Share Capital and of its shares accordingly.

Division and sub-division

66. The Company in General Meeting by an Ordinary Resolution alter the conditions of its Memorandum as follows, that is to say, it may :
- (a) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing shares;
 - (b) sub-divide shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from

which the reduced share is derived and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage or otherwise over the others or any other such shares;

- c) cancel shares which at the date of such General Meeting 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.

Notice to Registrar Of consolidation of Share Capital conversion of shares into stocks etc.

67. (1) If the Company has :
- (a) consolidated and divided its Share Capital into shares of larger amount than its existing shares;
 - (b) converted any shares into stock;
 - (c) re-converted any stock into shares;
 - (d) sub-divided its shares or any of them;
 - (e) redeemed any redeemable preference shares; or
 - (f) cancelled any shares otherwise than in connection with a reduction of Share Capital under sections 100 to 104 of the Act; the Company shall within one month after doing so, give notice thereof to the Registrar specifying, as the case may be, the shares consolidated, divided, converted, sub-divided, redeemed or cancelled or the stocks reconverted.
- (2) The Company shall thereupon request the Registrar to record the notice and make any alterations which may be necessary in the Company's Memorandum or Articles or both.

MODIFICATION OF RIGHTS

Powers to modify rights

68. If at any time the Share Capital by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may subject to the provisions of section 106 of the Act be varied, modified or dealt with, the consent in writing of the holders of not less than three fourths of the issued shares of that class.

The dissentient members shall have the right to apply to the Court in accordance with the provisions of section 107 of the Act.

Issue of further shares not to modify rights of existing share holders

69. The rights or privileges conferred upon the holders of the shares of any class issued with preferred or other rights shall, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed not to be varied or modified or affected by the creation or issue of further shares ranking **pari passu** there with.

Dematerialisation of Shares (Inserted by Special Resolution Passed at the 87th Annual General Meeting Dated 30th March, 2000)

- 69A **For the purpose of this Article, unless the context otherwise requires:**

1. Definition

- (i) **Beneficial Owner**

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

- (ii) **Bye-laws:**
 "Bye-laws" means by-laws made by a Depository under Section 26 of the Depositories Act, 1996;
- (iii) **Depositories Act:**
 "Depositories Act" means the Depositories Act, 1996, and any statutory modification or re enactment thereof for the time being in force;
- (iv) **Depository**
 "Depository" means a company formed and registered under the Companies Act, 1956 (1 of 1956) ("the Act") and which has been granted a certificate of registration under sub-section (1 A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);
- (v) **Record**
 "Record" include the records maintained in the form of books or stored in a computer or in such other form as may be determined by the Regulations;
- (vi) **Regulations**
 "Regulations" means the regulations made by 'SEBI';
- (vii) **"SEBI"**
 "SEBI" means Securities and Exchange Board of India:
- (viii) **Security**
 "Security" means such security as may be specified by SEBI from time to time.
- (ix) Shareholder or member: **"Shareholder"** or **"member"** means the duly registered holder from time to .time of the shares of the Company and includes every person holding Equity Shares and /or Preference Shares of the Company as also one whose name is entered as a beneficial owner of the shares in the records of a Depository.

(2) **Dematerialisation of Securities:**

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize or Rematerialize its shares/debentures and other Securities (both existing and future) held by the Depository and to offer its shares, debentures and other Securities for subscription in a dematerialized form pursuant to the Depositories Act, 1996 and the Rules framed thereunder if any.

(3) **Options for Investors:**

Every person holding or subscribing to Securities offered by the Company shall have the option to receive the Security certificates or to hold the Securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a Depository, if permitted by law, in respect of any Security in the Depository, if permitted by law in respect of any Security in the manner provided by the Depositories Act and the Company shall in the manner and within the time prescribed issue to the beneficial owner the required certificates of the Securities. Where a person opts to hold his Security with a Depository, the Company shall intimate such depository the .details of allotment of such

security and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the Security.

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

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

(5) **Rights of Depositories to be in fungible form**

(i) Notwithstanding anything to the contrary contained in the Act or these Articles a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of Security on behalf of the beneficial owner;

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

(iii) Every person holding Securities of the Company and whose name is entered as a beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities held by a Depository.

(6) **Depository to furnish information**

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

(7) **Option to opt out In respect of any security**

If a beneficial owner seeks to opt out of a Depository in respect of any Security, the beneficial owner shall inform the Depository accordingly. The Depository shall on receipt of the information as above, make appropriate entries In its record and shall inform the company accordingly. The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the Regulations, issue the certificates of security to the beneficial owner or the transferee as the case may be.

(8) **Sections 83 and 108 of the Act not to apply**

Notwithstanding anything to the contrary contained in these Articles -

(i) Section 83 of the Act shall not apply to the shares with a Depository;

(ii) Section 108 of the Act shall not apply to transfer of Security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository.

(9) **Intimation to Depository**

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

(10) **Applicability of the Depositories Act**

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

(11) **Company to recognize the rights of Registered Holders as also the Beneficial Owners In the records of the Depository:**

Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividend or bonus or service of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other persons whether or not it shall have express or implied notice thereof.

JOINT-HOLDERS

Joint-holders

70. Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles :

No transfer to more than six persons

- (a) The Company shall be entitled to decline to register more than six persons as the holders of any share.

Liability of joint-holders

- (b) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such shares.

Death of joint-holders

- (c) On the death of any one or more of such joint-holders the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

Receipts of one sufficient

- (d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

Delivery of Certificate and giving of notices to first-named holder

- (e) Only the person whose name stands first in the Register of Members as one of the joint-holders of any shares shall be entitled to the delivery of the Certificate relating to such share or to receive notices (which expression shall be deemed to include all documents as

defined in Article 2) from the Company and any notice given to such person shall be deemed to have been given to all the joint-holders.

Votes of joint holders

- (f) Any one of two or more joint-holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney, that one of such persons so present whose name stands first or higher (as the case may be) on the Register of Members in respect of such share shall alone be entitled to vote in respect thereof.

Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person, present by an agent, duly authorised under power of attorney or by proxy although the name of such person present by an agent or proxy stands first on the Register of Members in respect of such shares. Several executors of a deceased member in whose (deceased member's) sole name any share stands shall for the purpose of this clause be deemed joint-holders.

BORROWING POWERS

Power to borrow

71. Subject to the provisions of sections 292 and 293 of the Act the Directors may from time to time at their discretion borrow any sum or sums of money for the purpose of the Company.

Conditions on which money may be borrowed

72. The Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular by the issue of bonds, perpetual or redeemable, debentures or debenture-stocks or any Mortgage or charge or other security on the undertaking of the whole or any part of the property Company (both present and future) including its uncalled Capital for the time being

Bonds, debentures etc. to be subject to control of Directors

73. Any bonds, debentures, debenture-stocks or other securities issued or to be issued by the company shall be under the control of the Directors who may issue them upon such Terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

Securities may be assignable free from equities

74. Debentures debenture-stocks, bonds, or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Issue at discount etc. or with special privileges

75. Any bonds, debentures, debenture-stocks or other securities may be issued, subject to the provisions of the Act, at a discount, premium or otherwise and with any special privileges as to redemption, surrender, drawings, attending at General Meeting of the Company, appointment of Directors and otherwise and subject to the following.

Debentures with voting rights not to be issued

- (a) The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of particular classes of business.

“Debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.”

- (b) The Company shall have power to re-issue redeemed debentures in certain cases in accordance with section 121 of the Act.
- (c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of section 123 of the Act.
- (d) Certain charges mentioned in section 125 of the Act shall be void against the liquidators or creditors unless registered as provided in section 125 of the Act.
- (e) The term ‘charge’ shall include mortgage in these Articles.
- (f) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree for specific performance.

Limitation of time for issue of Certificate

- (g) The Company shall, within three months after the allotment of any of its debentures or debenture-stocks, and within two months after the application for the registration of the transfer of any such debentures or debenture-stocks, have completed and have ready for delivery the Certificates of all the debentures and the Certificates of all debenture-stocks allotted or transferred unless the conditions of issue of the debentures or debenture-stocks otherwise provide. The expression “transfer” for the purpose of this clause means a transfer duly stamped and otherwise valid, and does not include any transfer which the Company is for any reason entitled to refuse to register and does not register.

Right to obtain copies of and inspect Trust Deed

- (h) (1) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holder of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment.
 - (a) in the case of a printed Trust Deed, of the sum of Rupee one, and
 - (b) in the case of a Trust Deed which has not been printed, of six annas (thirty seven naye paise) for every one hundred words or fractional part thereof required to be copied.
- (2) The Court may also, by order, direct that the copy required shall forthwith be sent to the person requiring it.
- (3) The Trust Deed referred to in item (1) above shall also be open to inspection by any member or debenture-holder of the Company in the same manner, to the same extent, and on payment of the same fees, as if it were the Register of Members of the Company.

Indemnity may be given

- 76. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

Registration of charges

77. (a) The provisions of the Act relating to registration of charges which expressions shall include mortgages shall be complied with.
- (b) In the case of a charge created out of India and comprising solely property situate outside India the provisions of section 125 of the Act shall be complied with.
- (c) Where a charge is created in India but comprises property outside India, the instrument creating or purporting to create the charge under section 125 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situate, as provided by section 125 of the Act.
- (d) Where any charge on any property of the Company required to be registered under section 125 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.
- (e) In respect of registration of charges on properties acquired subject to charge, the provisions of section 127 of the Act shall be complied with.
- (f) The Company shall also comply with the provisions of section 128 of the Act relating to particulars in case of series of debentures entitling holders **pari passu**.
- (g) The Company shall comply with the provisions of section 129 of the Act in regard to registration of particulars of commission, allowance or discount paid or made, directly or indirectly, in connection with the debentures.
- (h) The provisions of section 133 of the Act as to endorsement of Certificate of registration on debenture or Certificate of debenture-stocks shall be complied with by the Company.
- (i) The Company shall comply with the provisions of section 134 of the Act as regards registration of particulars of every charge and every series of debentures.
- (j) As to modification of charges, the Company shall comply with the provisions of section 135 of the Act.
- (k) The Company shall comply with the provisions of section 136 of the Act regarding keeping a copy of instrument creating charge at the registered office of the Company and comply with the provisions of section 137 of the Act in regard to entering in the Register of Charges any appointment of Receiver or Manager as therein provided.
- (l) The Company shall also comply with the provisions of section 138 of the Act as to reporting satisfaction of any charge and procedure thereafter.
- (m) The Company shall keep at its registered office a Register of Charges and enter therein all charges specifically affecting any property of the Company and all floating charges on the undertaking or on any property of the Company giving in each case :
- (i) a short description of the property charged,
 - (ii) the amount of the charge; and
 - (iii) except in the case of securities to bearer, the names of persons entitled to the charge.

- (n) Any creditor or member of the Company and any other person shall have the right to inspect to copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of section 144 of the Act.
- (o) The Company shall comply with the provisions of section 145 of the Act so far as the same be applicable.

78. Register of Members and Debenture holders

The Company shall comply with the provisions of section 150 of the Act as to Register Members and of the provisions of section 152 of the Act as to Register and Index of Debenture holders.

Trusts not recognised

79. No notice of any trust, express or implied or constructive shall be entered on the Register of members or of Debenture holders.

Power to close Register of Members or Debenture-holders

80. (a) The Company may, after giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situate, close the Register of Members or the Register of Debenture-holders for any period or periods not exceeding in the aggregate 45 (forty-five) days in each year, but not exceeding 30 (thirty) days at any one time.

Foreign Register of Members

- (b) The Company may exercise the power to keep foreign Register of Members or Debenture-holders as provided in section 157 of the Act and the provisions of section 158 of the Act as to foreign register shall be complied with.

Annual Return

- (c) The Company shall comply with the provisions of section 159 of the Act regarding filing of annual returns and the provisions of section 161 of the Act regarding annual returns and certificates to be annexed thereto.

Place of keeping and inspection of registers and returns

81. (1) The Register of Members commencing from the date of the registration of the Company, the Index of members, the Register and Index of Debenture-holders and copies of all annual returns prepared under section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under section 161 of the Act shall be kept at the registered office of the Company or at such other place or places as may be permissible under the Act as the Directors may determine from time to time.
- (2) The registers, indexes, returns and copies of certificates and other documents referred to in sub-section (1) of section 163 of the Act shall except when the Register of Members or of Debenture-holders is closed under the provisions of the Act, be open during business hours (subject to such reasonable restrictions as the Company may impose so that not less than two hours in each day are allowed for inspection) to the inspection.
- (i) of any member or debenture-holder, without fee; and
 - (ii) of any other person, on payment of a fee of Rupee one for each inspection.
- (3) Any such member, debenture-holder or other person may :

- (i) make extracts from any register, index or copy referred to in sub-section (1) of section 163 of the Act without fee or additional fee, as the case may be, or
 - (ii) require a copy of any such register, index or copy or of any part thereof, on payment of six annas (thirty seven nayepaise) for every one hundred words or fractional part thereof required to be copied.
- (4) The Company shall cause any copy required by any person under sub-clause (ii) of clause (3) above to be sent to that person within a period of ten days, exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.
- (5) The Court may also, by order, compel an immediate inspection of the document, or direct that the extract required shall forthwith be allowed to be taken by the person requiring it, or that the copy required shall forthwith be sent to the person requiring it, as the case may be.

STATUTORY MEETING AND GENERAL MEETINGS

Statutory Meeting

82. The First Ordinary General Meeting shall be held at such time within six months from the date at which the Company is entitled to commence business and at such place as the Directors may determine. This meeting shall be called the Statutory Meeting.

Annual General Meeting

83. (1) (a) The Company shall in each year hold in addition to any other meetings, a General Meeting as its Annual General Meeting, and shall specify the meeting as such in the notices calling it, at the intervals, and in accordance with the provisions of the Act. Provided that the Registrar may, for any special reason extend the time, within which any Annual General Meeting shall be held by such period as may be provided in the Act.
- (b) Except in the cases referred to in the Act, not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.
- (2) Every Annual General Meeting shall be called for any time during business hours, on a day that is not a public holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company be situate.

Sections 171 to 186 of the Act shall apply to meetings

84. (1) The provisions of sections 171 to 186 of the Act, shall, notwithstanding anything to the contrary in the Articles of the Company, apply with respect to General Meetings of the Company.
- (2) (a) Section 176 of the Act with such adaptations and modifications, if any, as may be prescribed shall apply with respect to meetings of any class of members or of debenture-holders of the Company in like manner as it applies with respect to General Meetings of the Company.
- (b) Unless the Articles or a contract binding on the persons concerned otherwise provide, sections 171 to 175 and sections 177 to 186 of the Act with such adaptations and modifications, if any, as may be prescribed, shall apply with respect to meetings of any class of members or of debenture-holders or any class of debenture-

holders of the Company in like manner as they apply with respect to General Meetings of the Company.

Power of Directors Ordinary General Meeting

85. The Directors may call an Extra-ordinary General Meeting of the Company whenever to call Extra they think fit.

Calling of Extra-ordinary General Meeting on requisition

86. (1) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (4) of this Article, forthwith proceed duly to call an Extra Ordinary General Meeting of the Company.
- (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the registered office of the Company.
- (3) The requisition may consist of several documents in like form, each signed by one or more requisitionists.
- (4) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid-up Share Capital of the Company as at that date carries the right of voting in regard to that matter.
- (5) Where two or more distinct matters are specified in the requisition, the provision of clause (4) shall apply separately in regard to each such matter; and the requisite shall accordingly be valid only in respect of those matters in regard to which condition specified in that clause is fulfilled.
- (6) If the Board does not, within twenty-one days from the date of the deposit of valid requisition in regard to any matters, proceed duly to call a meeting for consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called :
- (a) by the requisitionists themselves,
- (b) by such of the requisitionists as represent either a majority in value of paid-up Share Capital held by all of them or not less than one-tenth of such of the paid-up Share Capital of the Company as is referred to in clause whichever is less.
- Explanation :** For the purposes of this clause, the board shall in the case a meeting at which a resolution is to be proposed as a Special Resolution be deemed not to have duly convened the meeting if they do not give sue notice thereof as is required by sub section (2) of section 189 of the Act.
- (7) A meeting called under clause (6) by the requisitionists or any of them :
- (a) shall be called in the same manner as nearly as possible as that in which meetings are to be called by the Board; but
- (b) shall not be held after the expiration of three months from the date of the deposit of the requisition.

Explanation : Nothing in clause 7(b) shall be deemed to prevent a meeting duly commenced before the expiry of the period of three months aforesaid from adjoining to some day after the expiry of that period.

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

Length of notice for calling meeting

- 87. (1) A General Meeting of the Company may be called by giving not less than twenty-one days' notice in writing.
- (2) A General Meeting of the Company may be called after giving shorter notice than that specified in clause (1), if consent is accorded thereto :
 - (i) in the case of an Annual General Meeting by all the members entitled to vote thereat; and
 - (ii) in the case of any other meeting, by members of the Company holding not less than 95 (ninety five) per cent of such part of the paid up Capital of the Company as gives a right to vote at the meeting.

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

Contents and Manner of service of notice and persons on whom it is to be served

- 88. (1) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat.
- (2) Notice of every meeting of the Company shall be given :
 - (i) to every member of the Company in any manner authorised by sub-section (1) to (4) of section 53 of the Act,
 - (ii) to the persons entitled to a share in consequence of the death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred, and
 - (iii) to the Auditor or Auditors for the time being of the Company in any manner authorised by section 53 of the Act in the case of any member or members of the Company.

- (3) The accidental omission to give notice to, or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under subsection (3) of section 53 of the Act, the statement of material facts referred to in section 173 of the Act need not be annexed to the notice as required has been forwarded to the members of the Company.

Explanatory statement to be annexed to notice

89. (1) For the purpose of this Article:
- (a) in the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to (i) the consideration of the accounts, balance sheet and the reports of the Board of Directors and Auditors, (ii) the declaration of a dividend, (iii) the appointment of Directors in the place of those retiring and (iv) the appointment of and the fixing of the remuneration of the Auditors: and
 - (b) in the case of any other meetings, all business shall be deemed special.
- (2) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern of interest, if any, therein of every Director, and the Manager, if any
- Provided that the extend of shareholding interest of any such person shall be set out in the circumstances specified in the provision to sub section(2) of Section 173 of the Act.
- (3) Where any item of business consist 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.

Quorum for meeting

90. 1) Five members personally present shall be the quorum for a meeting of the Company.
- (2) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon the requisition of members, shall stand dissolved.
- (3) 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.
- (4) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.

Presence of quorum

91. (a) No business shall be transacted at any General Meeting unless the quorum requisite be present at the commencement of the business.

Business confine to election of Chairman whilst Chair vacant

- (b) No business shall be discussed or transacted at any General Meeting except the election of a Chairman whilst the Chair is vacant.

Chairman of General Meeting

- (c) The Chairman or in his absence the Vice-chairman of the Board shall preside as Chairman at every General Meeting of the Company. If at any time neither the Chairman nor the Vice-Chairman is present, within 15 minutes after the time appointed for holding such meeting, the Directors present shall elect one of their number to be the Chairman of the Meeting. If at any Meeting no Director is willing to act as Chairman or if no Director is present within 15 minutes after the time appointed for holding such Meeting, the members present shall choose one of their number to be Chairman of the Meeting.

Chairman with consent may adjourn the meeting

- (d) The Chairman with the consent of the meeting may adjourn any meeting from time to time and from place to place in the city, town or village where the registered office of the Company be situate.

Business at adjourned meeting

- (e) No business shall be transacted at any adjourned meeting other than the business which might have been transacted at the meeting from which the adjournment took place.

Proxies

- 92. (1) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting. Provided that unless where the proxy is appointed by a body corporate, a proxy shall not be entitled to vote except on a poll.
- (2) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint one or more proxies, to attend and vote instead of himself and that a proxy need not be a member.
- (3) The instrument appointing a proxy or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty eight) hours before the meeting in order that the appointment may be effective thereat.
- (4) The instrument appointing a proxy shall;
 - (a) be in writing, and
 - (b) be signed by the appointer or his attorney duly authorised in writing, or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

Form of Proxy

- (5) Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form or to the effect of the following or in such other

form as the Directors may approve.

_____ Ltd., _____

I _____ a member of the above
named _____ Company do hereby appoint

_____ of _____ or failing him _____
_____ of _____ as my proxy
to attend and vote for me and on my behalf at the (Ordinary or Extra-Ordinary as the case
may be) General Meeting of the Company to be held on the _____ day of
_____ and at any adjournment thereof.

As witness my hand this _____ day of _____ 19

Signed by the said _____

In the presence of _____

- (6) An instrument appointing a proxy, if in any of the forms set out in Schedule IX of the Act shall not be questioned on the ground that it fails to comply with any special requirements specified for such instrument by the Articles.
- (7) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty-four) hours before the time fixed for the commencement of the meeting and ending with conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.

VOTES OF MEMBERS

Restrictions on Exercise of voting rights of members who have not paid calls etc.

93. No member shall exercise any voting right 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.

Restriction on exercise of voting right in other cases to void

94. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 93.

Equal right of shareholder

95. Any shareholder whose name is entered in the Register of Members of the Company shall enjoy the same rights and be subject to the same liabilities as all other share-holders of the same class.

Voting to be by show of hands in first instance

96. At any General Meeting a resolution put to the vote of the meeting shall unless a poll is demanded under section 179 of the Act be decided on a show of hands.

Votes

97. (a) Subject to the provisions of the Act and Article 5, upon show of hands every member

entitled to vote and present in person shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have one vote, for every share held by him.

No voting by proxy on show of hands

- (b) No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by proxy or by a representative duly authorised under section 187 of the Act in which case such proxy or representative may vote on a show of hands as if he were a member of the Company.

Votes in respect of shares of deceased or insolvent members etc.

- (c) Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty-eight) hours 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 'unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Custody of the instrument

- (d) If any such instrument of appointment be confirmed to the object of appointing proxy or substitute for voting at meetings of the Company, it shall remain permanently or for such time as the Directors may determine in the custody of the Company, if embracing other objects a copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.

Validity of votes given by proxy notwithstanding death of member etc.

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

Time for objections for vote

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

Chairman of any meeting to be the judge of any vote

- (g) 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 time of taking a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman's Declaration of result of voting by show of hands to be conclusive

- 98. A declaration by the Chairman in pursuance of section 177 of the Act that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority and an entry

to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand of poll

99. (1) Before or on declaration of the result of the voting on any resolution on show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion, and shall be ordered to be taken by him on a demand made in that behalf by the person or persons specified below, that is to say by any member or members present in person or by proxy and holding shares in the Company -
- (i) which confer a power to vote on the Resolution, not being less than 1/10th of the total voting power in respect of the resolution, or
 - (ii) on which an aggregate sum of not less than fifty thousand rupees has been paid-up. (Substituted as per Special Resolution Dt. 12th August, 1989)

Time of taking poll

100. (a) A poll demanded on a question of adjournment shall be taken forthwith.
- (b) A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in section 175 of the Act) shall be taken at such time not being later than 48 (forty-eight) hours from the time when the demand was made, as the Chairman may direct.

Demand for poll not to prevent transaction of other business

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

Right of a member to use his votes differently

102. On a poll taken at a meeting of the Company a member or other person entitled to vote for him as the case may be, need not if he votes, use all his votes or cast in the same way all the votes he uses.

Scrutineers at poll

103. (1) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given on the poll and to report thereon to him.
- (2) The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and to fill vacancies in the office of scrutineer arising from such removal or from any other cause.
- (3) Of the two scrutineers appointed under this article, one shall always be a member (not being an Officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed.

Manner of taking poll and result thereof

104. (1) Subject to the provisions of the Act, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.
- (2) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Casting vote

105. In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.

Representation of body corporate

106. (1) A body corporate (whether a company within the meaning of the Act or not) may, if it is a member or a creditor of the Company including being a holder of debentures, authorise such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class or members, of the Company or at any meeting of creditors of the Company.

Representation of President of India or Governor

- (2) The representation of the President of India or of the Governor of a State if he is a member of the Company may be allowed in accordance with the provisions of section 187A of the Act or any other statutory provision governing the same.

Registration of resolutions and agreements

107. The Company shall comply with the provisions of section 192 of the Act relating to registration of certain resolutions and agreements.

Circulation of Member's Resolution

108. The Company shall comply with the provisions of section 188 of the Act relating to circulation of members' resolutions.

Resolution requiring special notice

109. The Company shall comply with the provisions of section 190 of the Act relating to resolution requiring special notice.

Resolutions passed at adjourned meeting

110. The provisions of section 191 of the Act shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolution shall be deemed for all purposes as having been passed on the date on which in fact it was passed and shall not be deemed to have been passed on any earlier date.

Minutes of proceedings of General Meetings and of Board and other meetings

111. The Company shall cause minutes of all proceedings of every General Meeting and of all proceedings of every meeting of its Board of Directors or of every committee of the Board, to be entered in the books to be kept as may be required by section 193 of the Act.

Presumptions be drawn where minutes duly drawn and signed

112. Where minutes of the proceedings of any General Meeting of the Company or of any meeting of its Board of Directors or of a Committee of the Board have been kept in accordance with the provisions of section 193 of the Act then, until the contrary is proved the meeting shall be deemed to have been duly called and held and all proceedings thereat to have duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

Inspection of Minute Books of the General Meetings

113. (1) The books containing the minutes of the proceedings of any General Meeting of Company shall :-
- (a) be kept at the registered office of the Company, and
 - (b) be open during the business hours to the inspection of any member without charge subject to such reasonable restrictions as the Company may in General Meeting impose so however that not less than two hours in each day are allowed for inspection.
- (2) Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in clause (1) on payment of six annas (thirty seven naye paise) for every one hundred words or fractional part thereof required to be copied.

Publication of reports of proceedings of General Meetings

114. No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by section 193 of the Act to be contained in the minutes of the proceeding of such meeting.

MANAGERIAL PERSONNEL

Managerial personnel

115. The Company shall duly observe the provisions of section 197A of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

MANAGEMENT

Number of Directors

116. The Number of Directors of the Company shall not be less than 3 nor more than 15, excluding the Debenture Director, if any, and the Corporation Director, if any*.
117. The Directors of the Company as on 1-7-1961 are :
1. SHRI ARVIND N. MAFATLAL
 2. SHRI KAUSHIKPRASAD CHANDULAL
 3. SHRI YOGINDRA N. MAFATLAL
 4. SHRI PRAMUKHLAL M. PATEL
 5. SHRI LAXMANPRASAD D. VASA
 6. SHRI RAMANLAL C. PARIKH
 7. SHRI HEMANT B. MAFATLAL
 8. SHRI RATILAL NATHALAL
 9. SHRI SIDDHARTH KASTURBHAI
 10. SHRI RASESH N. MAFATLAL

118. Any Trust Deed for securing debentures or debenture stocks may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person to be a Director of the Company and May empower such Trustees or

* As per approval of Central Government Maximum of 15 Directors inclusive of Directors nominated by the Financial Institutions and/or State Government Institutions.

holders of debentures or debenture-stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

Corporation Director

118. (a) So long as any moneys be owing by the Company to any Finance Corporation or Credit Corporation or to any financing Company or Body (which Corporation or Body is hereinafter in this Article referred to as "The Corporation"), the Directors may authorise such Corporation to appoint, from time to time, any person or persons as Director or Directors, of the Company (which Director is herein after referred to as "Corporation Director") and may agree that the Corporation Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the Office of such Director.

The Corporation may at any time and from time to time remove any such Corporation Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time, appoint any other person as a Corporation Director in his place. Such appointment or removal shall be made in writing signed by the Chairman of the Corporation or any Director thereof or any person authorised by the Board of Directors thereof and shall be delivered to the Company at its Registered Office.

It is clarified that every Corporation entitled to appoint a Director under this Article may appoint one or more such person or persons as Director(s) and so that if more than one Corporation is so entitled there may be at any time as many Corporation Directors as the Corporations are eligible to make appointment.

- (b) "**Limit on number of non-retiring Directors**".

The provisions of the Articles 118 and 118(A) are subject to the provisions of Section 255 of the Act and the number of such Directors appointed under Article 118 and 118A shall not exceed in the Aggregate 1/3rd of the total number of Directors for the time being in office."

Alternate Director

119. The provisions of section 313 of the Act shall apply and the Board of Directors may appoint any Alternate Director under the circumstances and during the period and subject to the conditions therein mentioned and the appointment made thereunder shall be subject to the provisions of that section.

Qualification of Director

120. Deleted vide Special Resolution passed at the 19th Annual General Meeting held on 27th March, 2004.

Remuneration of a Director

121. The remuneration of a Director for his services for attending Meeting of a Board or a Committee constituted by the Board shall be a sum as may be fixed by the Directors in accordance with the limits as may be prescribed by the Central Government, from time to time.

(Substituted as per Special Resolution dated 20th August, 1988).

Travelling and other expenses

122. The Directors may allow and pay to any Director, who travels for the purpose of attending and returning from meetings of the Board of Directors or any Committee thereof or General Meetings, or in connection with the business of the Company, his travelling and hotel and other expenses incurred by him in consequence or for the purpose of his attendance, and in connection with the business of the Company in addition to his fees for attending such meetings as above specified and other remuneration payable to him.

123. Remuneration of Committee

(Article 123 is deleted As per Special Resolution dt. 20th August, 1988)

Remuneration for extra services

124. If any Director, being willing shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company, the Company may, subject to the provisions of the Act, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise as may be determined by the Directors but not exceeding that permitted under section 309 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.

Further remuneration

125. The Directors may be paid further remuneration (if any) as the Company in General Meeting may, subject to the provisions of the Act and Articles, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time, subject to the provisions of the Act, determine and in default of such determination within the year, equally.

Directors not to act when number falls below minimum.

126. When the number of Directors in office falls below the minimum above fixed, the Directors shall not except in emergencies or for the purpose of filling up vacancies or for summoning a General Meeting of the Company, act so long as the number is below the minimum and they may so act notwithstanding the absence of the necessary quorum.

Eligibility

127. A person shall not be capable of being appointed a Director if he has the qualifications referred to in section 274 of the Act.

Directors vacating office

128. (1) The office of a Director shall become vacant if :-
- (a) he fails to obtain within the time specified in sub section (I) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any, required by him by the Articles of the Company;
 - (b) he is found to be unsound mind by a Court of competent jurisdiction;
 - (c) he applies to be adjudicated an insolvent;
 - (d) he is adjudged an insolvent;
 - (e) he is convicted by a Court of any offence involving moral turpitude and sentenced

- in respect thereof to imprisonment not for less than six months;
- (f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
 - (g) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for continuous period of three months, whichever is longer, without obtaining leave of absence from the Board;
 - (h) he, whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director, accepts a loan or any guarantee or security for a loan from the Company in contravention of section 295 of the Act;
 - (i) he acts in contravention of section 299 of the Act;
 - (j) he becomes disqualified by an Order of Court under section 203 of the Act;
 - (k) he is removed in pursuance of section 284 of the Act;
 - (l) or having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
 - (m) he resigns his office by notice in writing to the Company.
- (2) Notwithstanding anything in sub-clauses (d), (e) and (j) of clause (l), the disqualifications referred to in those sub-clauses shall not take effect :-
- (a) for thirty days from the date of the adjudication, sentence or order;
 - (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of, or
 - (c) where within the seven days aforesaid any further appeal, or petition is preferred in respect of the adjudication, sentence conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification until such further appeal or petition is disposed of.

Removal of Directors

129. The Company may by Ordinary Resolution remove any Director (not being a Director appointed by the Central Government in pursuance of section 408 of the Act) in accordance with the provisions of section 284 of the Act. A Director so removed shall not be reappointed a Director by the Board of Directors.

Directors may contract with Company

130. Subject to the restrictions imposed by these Articles and by sections 292, 293, 294, 297, 300, 314, 356 to 360, 295, 369, 370 and 372 of the Act, no Director, or other officer or employee of the Company shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director, Officer or employee shall be in any way interested, be avoided, nor shall the Director, or any Officer or employee so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or

arrangement by reason only of such Director, or Officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with the provision of section 299 of the Act where that section be applicable.

In accordance with section 300 of the Act, no Director shall, as a Director, vote or take part in any discussion in respect of any contract or arrangement in which he is interested and if he does so vote, his vote shall be void nor shall his presence count for the purpose of forming the quorum at the time of any such discussion or vote.

Provided that the above prohibition or restriction shall not apply to the extent or under the circumstances mentioned in sub-section (2) of section 300 of the Act.

A general notice such as is referred to in sub-section (3) of section 299 of the Act shall be sufficient disclosure under this Article as provided in that section.

Directors may be Directors of Companies promoted by the Company

131. A Director, Officer or employee of this Company may be or become a director of any company promoted by this Company or in which it may be interested as a vendor, member or otherwise, and no such director shall be accountable for any benefits received as director or member of such company, except to the extent and under the circumstances as may be provided in the Act.

Duty of Directors etc. to make disclosure

132. (1) Every Director (including a person deemed to be a Director by virtue of the explanation to sub-section (1) of section 303 of the Act), Managing Director, Manager or Secretary of the Company, who is appointed to or relinquishes the office of Director, Managing Director, Manager or Secretary of any other body corporate shall, within twenty days of his appointment to or as the case may be relinquishment of such office, disclose to the Company aforesaid the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of section 303 of the Act.

Duty of Directors and persons deemed to be Directors to make disclosure of share holdings

- (2) Every Director of the Company and every person deemed to be a Director of the Company by virtue of sub-section (10) of section 307 of the Act and every other person referred to in sub-section (11) of section 307 of the Act, shall give notice to the Company of such matters as may be necessary for the purpose of enabling the Company to comply with the provisions of that section and section 308 of the Act.

133. **Directors etc. not to hold office or place of profit**

The provisions of section 314 of the Act shall be complied with when applicable in regard to holding of office or place of profit under the Company or under any subsidiary of the Company by any person mentioned in the said Section. The words office or place of profit shall have the meaning assigned to them by Section 314 of the Act.

Certain powers to be exercised by Board only at meetings

134. (1) The Board of Directors shall exercise the Powers referred to in section 292 of the Act, on behalf of the Company and the Board shall do so only by means of resolution passed at meetings of the Board.
- (2) The Board may delegate the powers therein referred to in the manner and to the extent and subject to the conditions or limitations therein referred to, such person including officers as are mentioned in the said section.

Restriction on power of Board

135. (1) The Board of Directors of the Company shall not, except with the consent of the Company in General Meeting :
- (a) sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than 1 undertaking, of the whole or substantially the whole, of any such undertaking;
 - (b) remit, or give time for the repayment of any debt, due by a Director;
 - (c) invest, otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in sub-clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
 - (d) borrow moneys, where the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up Capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose;

Explanation : For the purpose of these provisions the expressions "free reserve" shall include **inter alia** the amount to the credit of the following' accounts :-

(1) Dividend equalisation (2) Machinery renewal (3) Machinery replacement (4) Development rebate (5) Special depreciation (6) Post war rehabilitation (7) General reserve (8) Employee's welfare (9) Insurance fund.

or

- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees, or five per cent of its average net profits as determined in accordance with the provisions of sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.

Explanation : Where a portion of a financial year of the Company falls before the commencement of the Act, and a portion falls after such commencement, the latter portion shall be deemed to be a financial year within the meaning and for the purpose of the sub-clause (e).

Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanations contained in sub-section (1) of section 293 of the Act and in regard to the limitations on the powers of the Company contained in section 293A of the Act.

- (2) Nothing contained in sub-clause (a) of clause (1) shall affect :-
- (a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause, in good faith and after exercising due care and caution, or
 - (b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises such selling or leasing.
- (3) Any resolution passed by the Company permitting any transaction such as is referred to in

sub-clause (a) of clause (1) may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its Capital except in accordance with the provisions contained in that behalf in the Act.

- (4) No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (1) shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.
- (5) Due regard shall be given to and compliance as regard disclosures in the Profit and Loss Account shall be observed as provided under section 293A of the Act.

Appointment of sole selling agents

136. The appointment of a Selling Agent, the re-appointment of a Selling Agent and extension of the term of a Selling Agent shall be regulated in accordance with the provisions of section 94 of the Act and any Rules or Notifications issued by competent authority in accordance with that section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said section and such Rules or Notifications, if any, as may be applicable.

Loans to Directors

137. The provisions of section 295 of the Act shall be observed and complied with in cases of loans to or guarantee to or by or providing of any security in connection with a loan to or by persons and under the circumstances and cases mentioned in that section so far as the same may be applicable.

Board's sanction to be required for certain contracts in which particular Directors are interested

138. Sanction of the Board of Directors shall be necessary in the cases and to the extent and in the manner required by Section 297 of the Act and the Directors shall comply with the Provisions of that Section wherever applicable.

ROTATION OF DIRECTORS

Rotation of Directors

139. Not less than two thirds of the total number of Directors shall (a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and (b) save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

The remaining Directors shall, in default of and subject to any regulations in Article of the Company, also be appointed by the Company in General Meeting.

Ascertainment of Directors retiring by rotation and filling up vacancies

140. (1) At every Annual General Meeting held in 1957 and thereafter one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three then the number nearest to one-third shall retire from office.
- (2) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.

- (3) At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up vacancy by appointing the retiring Director or some other person thereto.
- (4) (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless:
- (i) at that meeting or at the previous meeting a resolution for the re-appointment 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 of Directors, expressed his unwillingness to be so re-appointed;
 - (iii) he is not qualified or is disqualified for appointment;
 - (iv) a resolution, whether Special or Ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act, or
 - (v) the proviso to sub-section (2) of section 263 or sub-section (3) of section 280 of the Act is applicable to the case.
- (5) Where a Director is to retire at any Annual General Meeting both in virtue of clause (2) and in virtue of sub-section (2) of section 280 of the Act, he shall be deemed, for the purposes of that section, to retire in virtue of sub-section (2) of section 256 of the Act.

Explanation : In this Article and Article 141, the expression Retiring Director' means a Director retiring by rotation.

Right of persons other than retiring Directors to stand for Directorship

141. A person who is not a retiring Director shall, in accordance with Section 257 of the Act and subject to other provisions of the Act, if any, be eligible for appointment to the office of Director at any General Meeting, if he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeed in getting elected as a Director.

(Substituted as per Special Resolution Dt. 12th August, 1989)

Consent of candidate for Directorship to be filed with the Registrar

142. (1) 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 257 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, his consent in writing to act as a Director, if appointed.
- (2) A person other than (a) Director re-appointed after retirement by rotation or immediately on the expiry of his term of offices or (b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under the section 262, appointed as a

Director or re-appointed as an Additional or Alternate Director immediately on the expiry of his term' of office, or (c) a person named as a Director of the Company under the Articles as first registered, shall not act as a Director of the Company unless he has signed and filed with the Registrar his consent in writing to act as such Director in accordance with the provisions of Section 264 of the Act in so far as they may be applicable.

PROCEEDINGS OF DIRECTORS

Meetings of Directors

143. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think. A meeting of the Board shall be held once at least in every three months and at least four such meetings shall be held in every year, as provided in section 285 of the Act.

When meeting to be convened

144. A Director may at any time; shall convene a meeting of the Director.

Directors entitled to notice

145. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India and at his usual address in India to every other, Director.

Questions at Board Meeting how decided

146. Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of an equality of votes, the Chairman shall have a second or casting vote.

Chairman and Vice Chairman

147. (1) The Board may from time to time elect from amongst the members of the Board's Chairman and a Vice-Chairman. Until otherwise resolved by the Board, Shri Arvind N. Mafatlal shall be the Chairman and Shri Yogindra N. Mafatlal shall be the Vice-Chairman.

Resolution passed by the board of Director at their Meeting held on 20th September, 1990.

RESOLVED THAT pursuant to Article 147 of the Articles of Association of the Company, Shri Hrishikesh A. Mafatlal be and is hereby appointed as the Vice Chairman of the Company, who shall exercise all the powers of the Chairman of the Board of Directors in absence of the Chairman.

- (2) The Chairman or in his absence the Vice-Chairman shall preside at all Meetings of the Board and shall exercise all the powers of the Chairman of the Board of Directors. If at any time of the meeting of the Board neither the Chairman nor the Vice-Chairman is present at the time appointed for holding the Meeting, then and in that case the Directors then present shall elect one of their number to preside at the Meeting.

Quorum at Board Meeting

148. (1) The quorum at meetings of the Directors shall be that prescribed by section 287 of the Act.

Quorum competent to exercise power

- (2) A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations or Articles of the company for the time being vested in or exercisable by the Directors generally.

Procedure where meeting adjourned for want of quorum

- (3) if a meeting of the Board could not be held for want of quorum, then, the meeting shall stand adjourned.

Directors may appoint committee

149. Subject to section 292 of the Act, the Directors may delegate all or any of their powers to Committees consisting of such member or members of their body as they think fit, and they may, from time to time, revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Directors, and subject thereto may regulate its own procedure.

Resolution by circular

150. Subject to the provisions of section 289 of the Act, a resolution passed without any meeting of Directors, or of a Committee of Directors appointed under these articles and evidenced by writing under the hands of all the Directors or members of such Committee as aforesaid, for the time being in India, be as valid and effectual as a resolution duly passed at a meeting of the Directors or of such Committee called and held in accordance with the provisions of these Articles.

Provided that the resolution has been circulated in draft, together with the necessary papers, if any, to such Directors, or members of the Committee, then in India (not being less in number than the, quorum fixed for a meeting, of the Board or the Committee as the case may be) and to all other Directors or members at their usual addresses in India and has been approved by such Directors as are then in India or by majority of such of them, as are entitled to vote on the resolution.

Limit of Directors' number

151. Subject to the provisions of sections 252, 255 and 259 of the Act, the Company in General Meeting may, by ordinary Resolution, increase or reduce the number of Directors within the limits fixed in that behalf by the Articles.

152. **Appointment of additional Directors or in casual vacancy**

Subject to the provisions of sections 260 and 262 of the Act, the Directors shall have power at any time to appoint any Person as a Director either to fill a casual vacancy or as an additional Director to the Board but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold office only upto the next Annual General Meeting of the Company and shall then be eligible for re-appointment.

Acts of Board or Committee valid notwithstanding defect of appointment

153. All acts done by any meeting of the Directors or by a Committee of Directors, 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 Directors or persons acting as aforesaid, or that they or any of them were disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director

Minutes of proceedings of the Board and the Committee to be valid

154. The Directors shall cause minutes to be duly entered in a book or books provided for the purpose in accordance with the Articles and section 193 of the Act.

Register of Directors

155. (1) The Directors shall cause to be kept at the registered office of the Company (a) a Register of the Directors, Manager and Secretary of the Company containing the particulars required by section 303 of the Act; (b) a Register of Contracts with companies and firms in which the Directors are interested, containing the particulars required by section 301 of the Act; and (c) a Register of Directors' share-holding containing the particulars required by section 307 of the Act. They shall also cause to be kept other registers and indexes as required by the Act.

Inspection of registers

- (2) The Company shall comply with the provisions of sections 301, 303 and 307 and other sections of the Act with regard to inspection of registers and-furnishing copies or extracts so far as the same be applicable to the Company.

POWERS OF DIRECTORS

General powers of the Company vested in Directors

156. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do, and are not hereby or by the Statute or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and any other Act and of the Memorandum of Association and these Articles and to any regulations not being inconsistent with the Memorandum of Association and these Articles or the Act from time to time made by the Company in General Meeting, provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Restrictions of certain sections of the Act to apply

157. The restrictions contained in sections 292, 293, 294, 297, 299, 300, 356 to 360, 295,369, 370 and 372 shall be observed in regard to matters therein mentioned so far as the same be applicable to the Company.

Specific powers given to Directors

158. Without prejudice to the general powers conferred by Article 156 and the other powers conferred by these presents and so as not in any way to limit or restrict any or all these powers, it is hereby expressly declared that subject as aforesaid, the Directors shall have the following powers
- (1) to pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the Company
 - (2) to pay and charge to the capital account of the Company any interest lawfully payable thereout under the provisions of section 208 of the Act;
 - (3) to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on, such terms and conditions as they think fit;
 - (4) to acquire by purchase, lease or in exchange or otherwise lands, buildings, hereditaments, machinery, rights privileges or properties movable or immovable;

- (5) to erect, construct, enlarge, improve, alter, maintain, pull down, rebuild or reconstruct any buildings, factories, offices, workshops or other structures necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;
- (6) to let, mortgage, charge, sell or otherwise dispose of subject to the provisions of section 293 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;
- (7) at their discretion to pay for any property rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture-stocks or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid-up thereon as may be agreed upon; and any such bonds, debentures, debenture stocks or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled Capital or not so charged;
- (8) to insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;
- (9) subject to section 292 of the Act, to open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;
- (10) to secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid Capital for the time being or in such other manner as they may think fit;
- (11) to attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof, as they think fit;
- (12) to accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stocks or any part thereof subject to the provisions of the Act;
- (13) to appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees;
- (14) 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 subject to the provisions of section 293 of the Act to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;
- (15) to refer, subject to the provisions of section 293 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;

- (16) to act on behalf of the Company in all matters relating to bankrupts and insolvents;
- (17) to make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of section 293 of the Act.
- (18) to determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents;
- (19) subject to the provisions of section 292, 293, 370 and 372 of the Act, to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof, upon such shares, securities or investments (not being shares in this Company) and in such manner as they may think fit, and from time to time to vary or realise such investments;
- (20) to execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company's such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions shall be agreed on.
- (21) subject to such sanction as may be necessary under the Act or the Articles to give to any Director Officer, or other person employed by the Company, an interest in any particular business, or transaction either by way of commission on the gross expenditure thereon, or, otherwise or a share, in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company;
- (22) to provide for the welfare of employees or ex-employees of the Company and the wives, widows, and families of the dependants or connections of such persons by building or contributing to the building of houses dwellings or chawls or by grants of money, pensions, allowances, gratuities, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other funds institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;
- (22A) to subscribe or contribute or otherwise to assist or to guarantee money to charitable benevolent religious, scientific national public political or, any other useful institutions objects or purposes or for any exhibition
- (22B) to establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of and give or procure the giving of donations gratuities, pensions allowances or emoluments to any persons who are or were at any time in the employment or service of the Company, or of any company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or Officers of the Company or of any such other company as afore said, and the wives, widows, families and dependants of any such persons, and also establish and subsidise and subscribe to any institutions, association clubs or funds calculated, to be for the benefit of or to advance the interest and well being of the Company or of any such other Company as aforesaid, and make. payments to or towards the insurance of any such person As aforesaid and do any, of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid;

- (23) before recommending any dividends, to set aside out of the Profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or Reserve Fund or Sinking Fund or any other Special Fund to meet, contingencies or to repay redeemable preference shares, debentures or debenture-stocks or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes as the Directors may, in their absolute discretion think conducive to the interests of the Company and to invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by sections 292 and 293 and other provisions of the Act) as the Directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company, notwithstanding that the matters to which the Directors apply or upon, which they may 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 Directors think fit and to employ the assets constituting, all or any of the above funds, including the Depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture-stocks and that without being bound to keep the same separate from other assets or to pay interest on the same with power, however to the Directors at their discretion, to pay or allow to the credit of such funds interest at such rate as the Directors may think proper.
- (24) to appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And from time to time to provide for the management and transactions of the affairs of the Company in any specified locality in India in such manner as they think fit. The provisions contained in the clauses following shall be without prejudice to the general powers conferred by this clause;
- (25) to comply with the requirements of any local law which in their opinion, it shall in the interests of the Company be necessary or expedient to comply with;
- (26) at any time and from time to time, by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors think fit) be made in favour of the members, directors nominees or managers of any company or firms or otherwise in favour of any fluctuating body or persons whether nominated, directly or indirectly, by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors 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;
- (27) subject to the provisions of the Act, generally and from time to time and at any time to authorise empower or delegate to (with or without powers of sub-delegation) any Direc-

tor, Officer or, Officers or employees for the time being of the Company all or any of the powers, authorities and directions for the time being vested in the Directors, by these presents, subject the such restrictions and conditions, if any, as the Director may think proper;

- (28) to enter into all such negotiations and contracts and rescind and vary all such contracts and to execute and do all such act deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters afore said or otherwise for the purposes of the Company.

MANAGING DIRECTORS

Subject to the provisions of the Act :

Powers to appoint Managing Director

159. (1) The Directors may from time to time appoint one or more of their body to be Managing Director or Managing Directors of the Company, either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

What provision will be subject to.

- (2) Subject to the provisions of the Act, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, and he shall not be reckoned as Director for, the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but subject to the provisions of any contract between him and the Company he shall be subject to the same provisions as to resignation and removal as the other Directors of the Company, and he shall **ipso facto** and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.

Remuneration of Managing Director

- (3) Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, the remuneration of a Managing Director shall (subject to the (1) provisions of any contract between him and the Company) from time to time be fixed by the Company in General Mooting or so far as the Act may allow by the Directors, and may be by way of fixed salary or commission on dividends, profits or turnover of the Company or of any other company in which the Company is interested or by participation in any such profits or by any or all of those modes.

Power and duties of Managing Director

- (4) Subject to the provisions of the Act, the Directors may from time to time entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions, and with such restrictions as they think expedient, and they may confer such powers, either collaterally with, or to the exclusion of and in substitution for, all or any of the powers of the Directors, in that behalf, and may from time to time revoke, withdrawn, alter or vary all or any of such powers.

SEAL

The Seal its custody and use

160. (1) The Directors shall provide a Common Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by or under the authority of the Directors or a Committee of the Directors previously given, and in presence of one Director at the least who shall sign every instrument to which the Seal is affixed and every such instrument shall be countersigned by such other Officer or person as the Directors may from time to time resolve.

Seals abroad

- (2) The Company may exercise the powers conferred by section 50 of the Act and such powers shall accordingly be vested in the Directors.

INTEREST OUT OF CAPITAL

Payment of interest out of Capital

161. Where any shares in the Company are issued for the purposes of raising money to defray the expenses of the construction of any works or buildings or the provisions of any plant which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that Share capital as is for the time being paid up for the period and subject to the conditions and restrictions provided by section 208 of the Act and may charge the same to Capital as part of the cost of construction of the work or building or the provision of the plant.

DIVIDEND

Division of profits

162. The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum and 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.

Dividend payable to register holder

163. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.

Time for payment of dividend

164. Where a dividend has been declared by the Company it shall be paid within the period provided in section 207 of the Act.

Capital paid up in advance at interest not to earn dividend

165. Where the Capital is paid up in advance of calls upon the footing that the same shall carry interest, such Capital shall not, whilst carrying interest confer a right to participate in profits.

Dividends in proportion to amount paid up

166. The Company shall pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others. Nothing in this Article shall be deemed to affect in any manner the operation of section 208 of the Act.

Provided always that any Capital paid up on a share during the period in respect of which a dividend is declared shall unless the terms of issue otherwise provide only entitle the holder of such share to an apportioned amount of such dividend proportionate to the Capital from time to time paid during such period on such share.

Company in General Meeting may declare dividends

167. The Company in General Meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment.

Power of Directors limit dividends

168. No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend.

Dividend to be paid out of profits

169. Subject to the provisions of section 205 of the Act, no dividend shall be declared and paid for any financial year except out of the profits of the Company or out of the moneys provided by the Central Government or State Government for payment of dividend in pursuance of any guarantee given by such Government and no dividends shall carry interest as against the Company.

Nothing contained in this Article shall be deemed to affect in any manner the operation of section 208 of the Act

Directors' declaration as to net profits conclusive

170. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive.

Interim dividends

171. The Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies. The provisions of Article 168 shall apply in regard to payment thereof.

Retention of dividend until completion of transfer under Article 56

172. The Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Clause entitled to become a member or which any person under that clause is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

No member to receive dividends whilst indebted to the Company and Company's right to reimbursement therefrom.

173. Subject to the provisions of the Act no member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares either alone or jointly with any other person or persons, and the Directors may deduct from the interest or dividend payable to any member, all sums of money so due from or to the Company.

Transferred shares must be registered

174. A transfer of shares shall not pass the right to any dividend declared before the registration of the transfer.

Dividends how remitted

175. Unless otherwise directed, any dividend may be paid by the cheque or warrant sent through the post to the registered address of the member or person entitled or in the case of joint-holders to that one of them first named in the Register of Members in respect of the joint holding. Every such cheque or warrant so sent 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 lost in transmission or for any dividend lost, to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

Unclaimed dividends

176. All dividends unclaimed for one year after having been declared may be invested or otherwise used by the Directors for the benefit of the Company until claimed and all dividends unclaimed till the claim thereto becomes barred by Law may be forfeited by the Directors for the benefit of the Company. Provided, however, the Directors may at any time, annul such forfeiture and pay any such dividend.

Dividend and call together

177. Any General Meeting declaring a dividend may make a call on the members for such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the members, be set off against the calls.

Set off allowed

178. The market of a call under Article 183 shall be deemed ordinary business of a General Meeting which declares a dividend.

Special provisions in reference to dividend

179. Subject to the provisions of section 205 of the Act and if and in so far as may not be prohibited by that section or any of the provisions of the Act, any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment Article 123 is delete of such dividend, wholly or in part, by the distribution of (a) partly or fully paid up shares, (b) debentures or debenture-stocks, (c) any specific assets or property of the Company, or in any one or more of such ways and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution they may settle the same as they think expedient, and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payment shall be made to any members upon the footing of the value so fixed, or that fractions of less value than Rupee one may be disregarded in order to adjust the rights of the parties and may vest any such shares, debentures, debenture-stocks or specific assets in trustees upon such trusts for the persons entitled to the dividend as may seem expedient to the Directors. Where required the Directors shall comply with section 75 of the Act and the Directors may appoint any person to sign any contract thereby required on behalf of the persons entitled to the dividend and such appointment shall be effective.

CAPITALISATION

Capitalisation

180. Subject to the provisions of the Act
- (1) Any General Meeting may resolve that any moneys investments or other assets forming

part of the undivided profits of the Company (including profits or surplus moneys arising from realisation of any Capital assets of the Company) standing to the credit of the Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend or representing the premiums received on the issue of shares and standing to the credit of the share premium account be capitalized

(a) by the distribution among the holders of the shares of the Company or any of them on the footing that they become entitled thereto as Capital in accordance with the respective rights and interests and in proportion to the amounts paid or credited as paid thereon, of paid up shares, debentures or debenture-stocks, bonds or other obligations of the Company,

or

(b) by crediting shares of the Company which may have been issued and are not fully paid up, in proportion to the amounts paid or credited as paid thereon, respectively, with the whole or any part of the sums remaining unpaid thereon, and the Directors shall give effect to such resolution and apply such portion of the profits or Reserve Fund or any other Fund as may be required for the purpose of making payment in full or part of the shares, debentures or debenture-stocks, bonds or other obligations of the Company so distributed or (as the case may be) for the purpose of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up, provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended, such distribution and payment shall be accepted by such share holders in full satisfaction of their interest in the said capitalised sum.

(2) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and generally may make such arrangement for the acceptance, allotment and sales of such shares, debentures, debenture-stocks, bonds or other obligations and fractional certificates or otherwise as they may think fit and may make cash payments to any holders of shares on the footing of the value so fixed in order to adjust rights and may vest any shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for adjusting such rights as may seem expedient to the Directors. In cases where some of the shares of Company are fully paid and others are partly paid, only such capitalization may be affected by the distribution of further shares in respect of the fully paid shares, by crediting the partly paid shares with the whole or part of the unpaid liability thereon, but so that as between the holders of the fully paid shares and the partly paid shares the sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied **pro rata** in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively. When deemed requisite a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the holders of the shares of the Company which have been issued prior to such capitalization and such appointment shall be effective.

ACCOUNTS

Accounts

181. The provisions of sections 209 to 222 of the Act shall be complied with in so far as the same be applicable to the Company.

Proper books of accounts to be kept

182. (1) The Company shall, at the expense of the Company, cause proper books of accounts to be kept with respect to :
- (a) all sums of money received and expended by the Company, and the matters in respect of which the receipt and expenditure take place;
 - (b) all sales and purchases of goods by the Company; and
 - (c) the assets and liabilities of the Company.
- (2) The books of accounts shall be kept at the Registered Office of the Company or such other place or places in India as the Directors think fit and shall be open to inspection by the Directors during business hours.

Inspection by members of accounts and books of the Company

183. The Directors shall from time to time, subject to the provisions of the Act, determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors and no member (not being a Director) shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorised by the Directors or by the Company in General Meeting.

Statement of accounts and Report to be furnished to General Meetings

184. (1) Once at least in every calendar year, the Directors shall lay before the Company at Annual General Meeting held in pursuance of section 166 of the Act :
- (a) Balance Sheet as the end of the period specified in section 210 of the Act, and
 - (b) Profit and Loss Account for that period.
- (2) The Profit and Loss Account shall relate to the period referred to in section 210 of the Act.

Form and contents of Balance Sheet etc.

- (3) Every Balance Sheet of the Company shall give a true and fair view of the state of affairs of the Company as at the end of the financial year and shall subject to the provisions of section 211 of the Act, be in the form required by the Act.
- (4) Every Profit and Loss Account of the Company shall give a true and fair view of the profits or loss of the Company for the financial year and shall subject to the provisions of section 211 of the Act, comply with the requirements of the Act relating thereto.
- (5) The provisions of sections 212 to 214 of the Act shall be complied with whenever the same be applicable.
- (6) The authentication of the Balance Sheet and Profit and Loss Account shall be done in the manner required by Section 215 of the Act
- (7) The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditor's Report (including the Auditors' separate special or supplementary report, if any) shall be attached thereto as required under section 216 of the Act.

Directors' Report

- (8) There shall be attached to every Balance Sheet laid before the Company in General Meeting a report of the Board of Directors with respect to :
- (a) the state of the Company's affairs;
 - (b) the amounts, if any, which it proposes to carry to any reserves in such Balance Sheet;
 - (c) the amount which it recommends should be paid by way of dividend, and
 - (d) other, matters (if any) required by section 217 of the Act to be set out therein.

The Directors' Report shall also comply with other requirements of section 217 of the Act as may be applicable.

Balance Sheet and other documents to be sent to the address of every member

185. A copy of the audited Balance Sheet and the Profit and Loss Account together with a copy of the Auditors' report and a copy of every document required by law to be annexed or attached thereto as the case may be to the Balance Sheet shall, not less than twenty-one days before the date of the meeting at which the same are to be laid, be sent to the Registered address to every member of the Company and to every holder of debentures of the Company (not being debentures which **exfacie** are payable to the bearer thereof), to every trustee for the holders of debentures issued by the Company and to all persons other than such members, holders or trustees, being persons entitled to receive them subject to the provisions of section 219 of the Act.

Three copies of Balance Sheet etc. to be filed with Registrar

186. After the Balance Sheet and Profit and Loss Account have been laid before the Company at the Annual General Meeting, three copies thereof signed as may be required by the Act shall be filed with the Registrar in accordance with the provisions of section 220 of the Act.

AUDIT

Accounts to be audited

187. Once at least in every year the Accounts of the Company shall be audited by one or more Auditor or Auditors in accordance with the provisions of the Act.

Appointment and qualifications of Auditors

188. The Company shall appoint an Auditor or Auditors at each Annual General Meeting and the provisions of sections 224 to 230 of the Act with regard to the appointment, remuneration removal qualification disqualification powers and duties, audits of branch office and signature of Auditors, report and reading and inspection of Auditors' report shall apply so far as the same be applicable to the Company. The Company or the Directors, may fix the remuneration of the Auditor or Auditors, as the Company or the Directors, as the case may be, may think fit, subject to any provisions of the Act in that behalf and may pay the same.

Accounts when audited and approved to be conclusive except errors discovered within three months

189. Every account when audited and approved by a General Meeting shall be conclusive except as regards any error therein discovered within three months next after the approval thereof. When-

ever any such error is discovered within that period, the accounts shall forthwith be corrected and henceforth shall be conclusive.

NOTICES

Service of Notice on Company

190. A Notice may be served on the Company or an Officer thereof by sending it to the Company or Officer at the registered office of the Company by post under a certificate of posting or by registered post or by leaving it at its registered office.

The term "Notice" in this and the following clauses shall include summons, notice, requisition, order or other legal process and registers whether issued, sent or kept in pursuance of this or any other Act or otherwise.

Service of Notice on Registrar

191. A Notice may be served on the Registrar by sending it to him at his office by post under a certificate of posting or by registered post, or by delivering it to, or leaving it for him at his office.

Service of Notice on members by the Company

192. (1) A Notice may be served by the Company on any member either personally or by sending it by post to him to his registered address or if he has no registered address in India to the address, if any, within India supplied by him to the Company for the giving of Notices to him.
- (2) Where a Notice is sent by post
- (a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document, provided that, where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with the Company sum sufficient to defray the expenses of doing so, service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and
- (b) such service shall be deemed to have been effected:
- (i) in the case of a Notice of a meeting at the expiration of forty eight hours after the letter containing the same is posted, and
- (ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.
- (3) A Notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of Notices to him.
- (4) A Notice may be served by the Company on the joint-holder of a share by serving it on the joint-holder named first in the Register of Members in respect of the share.
- (5) A Notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title of representatives of the deceased or

assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by serving the document in any manner in which it might have been served if the death or insolvency had not occurred.

Persons entitled to Notice of General Meeting

193. Subject to the provisions of the Act, Notice of every General Meeting shall be given:
- (i) to every member of the Company in the manner authorised, by sub-sections (1) to (4) of section 53 of the Act;
 - (ii) to the persons entitled to a share in consequence of the death or insolvency of a member, under section 172(2)(ii) of the Act;
 - (iii) to the Auditor or Auditors, in the manner authorised by section 53 of the Act in the case of any member or members of the Company.

Provided that where the notice of a meeting is given by advertising the same in a newspaper under sub-section (3) of section 53, the statement of material facts referred to in section 173 of the Act need not be annexed to the notice as required by that section but it shall be mentioned in the advertisement that the statement has been forwarded to the member.

The accidental omission to give notice to or the non-receipt of notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

Notice by Company and signatures thereto

194. Any Notice given by the Company shall be signed by a Director, or by such Officer as the Directors may appoint and the signatures thereto may be written, printed or lithographed.

Authentication of documents and proceedings

195. Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the Company may be signed by the Director, the Manager, the Secretary or other authorised Officer of the Company and need not be under its Common Seal.

WINDING UP

Distribution of assets

196. Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall be sufficient to repay the whole of the paid-up Capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the Capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid-up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid-up on the shares held by them respectively.

But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution in specie or kind

197. Subject to the provisions of the Act:

- (1) If the Company shall be wound up whether voluntarily or otherwise, Liquidators may with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the Liquidators with the like sanction, shall think fit.
- (2) if thought expedient, any such division may subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on any contributory who would be prejudiced thereby shall have the right, if any, to dissent if such right be given by the Act.
- (3) in case any shares to be divided as aforesaid involves a liability to call or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the resolution, by notice in writing direct the Liquidators to sell his proportion and pay him the net proceeds and the Liquidators shall, if practicable, act accordingly.

Rights of shareholders in case of sale

198. Subject to the provisions of the Act, a Special Resolution sanctioning a sale to any other company duly passed, may, in like manner as aforesaid, determine that any shares or other consideration receivable, by the Liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent, if any, if such right be given by the Act.

SECRECY CLAUSE

Secrecy Clause

199. Subject to the provisions of the Act, no member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's business or trading, or any other matter which is or may be in the nature of a trade secret, mystery of trade or secret process or 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 interests of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

Directors' and other's rights to indemnity

200. (a) Subject to the provisions of section 201 of the Act, every Director of the Company and the Manager Secretary and other Officer or employee of the Company shall be indemnified by the Company against, and it shall be the duty of the Director, out of the funds of the Company, to pay all costs, losses and expenses (including travelling expenses) which such, Director, Manager, Secretary and other Officer or employee may incur or become liable to, by reason of any contract entered into or act or deed done by him as such Director, Manager, Secretary, Officer or servant or in any way in the discharge of his duties and the amount for which such indemnity is provided, shall immediately, attach as a lien on the property of the Company and have priority between the members over all other claims.

- (b) Subject as aforesaid, every Director, Managing Director, Manager, Secretary or other Officer and employee of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 633 of the Act in which relief is given to him by the Court.

Directors and other Officers not responsible for acts of others

- 201.** Subject to the provisions of section 201 of the Act, no Director, or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities, or effects shall be entrusted or deposited or for any loss occasioned by any error or judgement or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

No.	Name, address and Description of Subscriber		Number of Shares taken by each subscriber
1.	Colinson Shorrock	Ahmedabad	100 One hundred
2.	Mafatlal Gagalbhai	Ahmedabad	1001 One thousand and One
3.	Patel Gagalbhai Nathubhai	Ahmedabad	5 Five
4.	Patel Manilal Gagalbhai	Ahmedabad	5 Five
5.	Chandulal Acharatlal	Ahmedabad	100 Hundred
6.	Bapalal Pitamberdas	Ahmedabad	1 One
7.	Damodardas Amratlal	Ahmedabad	1 One

Total Shares taken

Dated the 16th day of January 1913
Witness to we above signatures :
Atmaram Kashinath

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

In the matter of the Companies Act, 1956

AND

In the matter of The New Shorrock Spg. & Mfg. Co. Ltd.,

Company Petition No. 28 of 1960

connected with

Company Application No. 14 of 1960

The New Shorrock Spg. & Mfg. Co. Ltd., a
Joint Stock Company having its Registered
Office in the mill compound of The Shorrock
Spg. & Mfg. Co. Ltd., at Asarwa Road,
Ahmedabad-16 Petitioner

Before the Hon'ble Mr. Justice P. N. Bhagavati

Dated 25th November, 1960.

ORDER UNDER SECTION 394

Upon the above petition coming on for hearing on 25th day of November, 1960, and upon reading the said petition, the order dated 23rd September, 1960 whereby the said company was ordered to convene a meeting of the members of the above company for the purpose of considering, and if thought fit, approving, with or without modification, the Arrangement proposed to be made between the said company and the members of the said Company and annexed to the affidavit of Shri Bhalchandra Krishnalal Joshi filed the 6th day of September, 1960, Gujarat Government Gazette dated 29th September, 1960 and the "Times of India" dated 1st October, 1960 and the 'Gujarat Samachar' dated 1st October, 1960 each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated 23rd September, 1960, the affidavit of Shri Bhalchandra Krishnalal Joshi filed the 22nd day of October, 1960, showing the publication and despatch of the notices convening the said meeting, the report of the Chairman of the said meeting dated 28th October, 1960 as to the result of the said meeting and upon hearing Shri C. C. Gandhi and Shri L. T. Shah, advocates for the said Company.

THIS COURT DOTH ORDER

1. That all the property, rights and powers of the Transferor Company specified in the first, second and third parts of the schedule hereto and all other property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
4. That the Transferee Company do without further application allot to the members of the Transf-

eror Company the Shares in the Transferee Company to which they are entitled under the said arrangement; and

5. That the Transferor Company do within 14 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered the Transferor Company shall be dissolved and the Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the transferee Company and the files relating to the said two Companies shall be consolidated accordingly; and
6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEDULE

PART-I

DETAILS OF FREEHOLD PROPERTY OF THE TRANSFEROR COMPANY

NIL

PART – II
DETAILS OF LEASEHOLD PROPERTY OF THE TRANSFEROR COMPANY

Sr.	Survey No.	Description of Land	Measure ment A-G	Date of Lease	Name of Lessor	Annual Rent Payable per annum	Remark
1	599/2	To the East : S. No. 599/1 " the West : Nalia Land " the North : Road and Village site " the South : S. No. 600 and Karaka Mill	1 - 19	15/3/1905	Patel Jijibhai Becharadas And Patel Trikamlal Kahandas	Rs. 159-11-6	Permanent Lease
2	596 & 595 (Part)	To the East : Part of S. No. 596 and Road " the West : S. No. 599/1 " the North : Nalia Land " the South : Karaka Mill & Sr. No. 505	3 - 14	" "	Patel Bhogilal Chhaganlal	Rs. 364-0-0	" "
3	595	To the East : Part of S. No. 599 " the West : Part of This S. No. " the North : -do- " the South : wadi of Chhagan Bhaichand	1 - 15	14/3/1905	Patel Bapuji Jetha and Patel Chaman Sendha	Rs. 121-0-0	Permanent Lease
4	599/1	To the East : S. No. 596 " the West : S. No. 599 " the North : Village site and Nalia " the South : S. No. 596	0 - 15	15/3/1905	Patel Jijabhai Becharadas	Rs. 40-7-0	" "
5	605	To the East : Nalia Road and Fellow Land " the West : Aryodaya Mill " the North : Land of Gatordas Motilal & Soma Mulchand " the South : Nalia & Aryoday Mill	0 - 39	2/2/1905	Patel Bhalabhai Ishverdas Somnath Ishverdas and Manilal Ishverdas	Rs. 395-0-0	" "
6	594 (Part)	To the East : Road to Acharji " the West : Asarwa Mill Property " the North : -do- " the South : Shorrock Mill Property	2 - 09	July, 1957	Shri Natnji Temple Committee	Rs. 3,800-0-0	Lease for 25 Years Renewable for a Further period of 25 Years.

PART — III

**SHORT DESCRIPTION OF STOCKS, SHARES, DEBENTURES AND
OTHER CHOSSES IN ACTION OF THE TRANSFEROR COMPANY
AS ON 1-1-1960.**

1	National Savings Certificates of the face value	Rs. 22,600
2	100 Ordinary Shares of the Cellulose Products of India Ltd. of Rs. 100/- each (of which Rs. 25 per share is paid)	Rs. 2,500
3	100 Preference Shares of the Cellulose Products of India Ltd, of Rs. 100/- each (of which Rs. 25 per share is paid)	Rs. 2,500
4	1750 Shares of the National Machinery Manufacturers Ltd, of Rs. 100/- each fully paid	Rs. 1,75,000
5	Sundry Debtors	Rs. 11,47,465
6	Advances recoverable in Cash or in kind or for Value to be received	Rs. 12,83,263
7	Income-Tax Advance	Rs. 7,98,717
8	Balance with Central Excise Department	Rs. 14,472
9	Balance with the Banks in Current Accounts	Rs. 11,79,177
10	Balance with the Bank in Cash Credit Account	Rs. 609
11	Call Deposits with the Banks	Rs. 19,00,000
12	Cheques on hand	Rs. 1,23,159
		Rs. 66,49,462

Dated this 25th day of November, 1960

By the Court
Sd/- V J. Merchant
DEPUTY REGISTRAR
Sd/ M A Chaubal
Sealer

Dated this 1st day of December, 1960



True Copy
Sd/- Illegible
Deputy Registrar
The 2nd day of December, 1960.

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

In the matter of the Companies Act, 1956

AND

In the matter of The New Shorrock Spg. & Mfg. Co. Ltd.,

Company Petition No. 28 of 1960

connected with

Company petition No. 14 of 1960

The New Shorrock Spg. & Mfg. Co. Ltd., a Joint
Stock Company having its Registered Office in the
Mill Compound of The Shorrock Spg. & Mfg. Co.
Ltd., at Asarwa Road, Ahmedabad-16
.....Petitioner

Before the Hon'ble Mr. Justice P. N. Bhagwati

Dated 25th November, 1960

ORDER ON PETITION

The above petition coming on for hearing on 25th day of November, 1960, upon reading the said petition, the order dated 23rd September, 1960, whereby the said company was ordered to convene a meeting of the members of the above company for the purpose of considering, and if thought fit, approving, with or without modification, the Arrangement proposed to be made between the said company and the members of the said company and annexed to the affidavit of Shri Bhalchandra Krishnalal Joshi filed the 6th day of September, 1960, Gujarat Government Gazette dated 29th September, 1960, and the 'Times of India' dated 1st October, 1960 and the 'Gujarat Samachar' dated 1st October, 1960, each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated 23rd September, 1960 the affidavit of Shri Bhalchandra Krishnalal Joshi filed the 22nd day of October, 1960, showing the publication and despatch of the notices convening the said meeting, the report of the Chairman of the said meeting dated 28th October, 1960, as to the result of the said meeting and upon hearing Shri C. C. Gandhi and Shri L. T. Shah, advocates for the said company and it appearing from the report that the proposed Arrangement has been approved by a majority of not less than three-fourths in value of members present and voting in person or by proxy.

This Court doth hereby sanction the Arrangement set forth in para 5 of the petition herein and in the schedule hereto, and doth hereby declare the same to be binding on the members of the above-named company and also on the said company.

And this Court doth further order :-

That the parties to the Arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the Arrangement, and

That the said company do file with the Registrar of companies a certified copy of this order within 14 days from this date.

SCHEDULE

Scheme of Arrangement as sanctioned by the Court
SCHEME OF AMALGAMATION
OF
THE SHORROCK SPINNING & MANUFACTURING CO. LTD.,
WITH
THE NEW SHORROCK SPINNING & MANUFACTURING CO. LTD.,

1. The undertaking and all the property rights and powers of the Shorrock Spg. & Mfg. Co. Ltd. (hereinafter called "The Transferor Company") and all other property, rights and powers whatsoever of the Transferor Company, be without further act or deed transferred to and made to vest, with effect from 1st January, 1960 in The New Shorrock Spg. & Mfg. Co. Ltd., (herein after called "The Transferee Company") pursuant to Section 394 of the Companies Act, 1956, for all the estate and interest of the Transferor Company therein but subject nevertheless to all the charges, if any, now affecting the same.
2. All the liabilities and duties of the Transferor Company be transferred with effect from the 1st day of January, 1960 without further act or deed to the Transferee Company pursuant to the said Section 394 of the Companies Act, 1956 so as to become the liabilities and duties of the transferee Company.
3. All legal proceedings pending at the date of such transfer by or against the Transferor Company be on such transfer continued by or against the Transferee Company.
4. The Transferee Company will on such transfer take over all such employees of the Transferor Company as are willing to join the Transferee Company as far as possible on the same terms on which they were employed by the Transferor Company and their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purpose of the Provident Fund Rules or for any other purpose and will be reckoned for such purpose from the date of their respective appointments with the Transferor Company.
5. The paid up capital of the Transferor Company is Rs. 29,25,000/- divided into 29,250 Ordinary Shares of Rs. 100/- each. The paid up Capital of the Transferee Company is Rs. 52,00,000/- divided into 41,600 Ordinary Shares of Rs. 125/- each. On the Scheme being sanctioned both on behalf of the Transferor Company and the Transferee Company, the Transferee Company will increase its Authorised, Subscribed and Paid-up Capital from Rs. 52,00,000/- to Rs. 70,28,125/- by the creation of 14,625 new Ordinary Shares of Rs. 125/- each and will issue the said new Shares in order to enable it to put through the said Scheme. Such new Shares will rank pari passu with the existing 41,600 Shares of the Transferee Company in all respects.
6. The Transferee Company do without any further application allot to such members of the Transferor Company one Share in the Transferee Company for every two Shares of the Transferor Company held by them respectively.
7. In the event of any holder of existing Ordinary Shares of the Transferor Company holding less than two Ordinary Share or a number which is not a multiple of two on the date the Scheme becomes effective as provided in Section 394, one coupon of the Transferee Company for one Ordinary Shares of the Transferor Company shall be issued to him for each existing Ordinary Share comprised in a holding of less than two Shares or for each odd Share of the Transferor Company. Two such coupons, if presented not later than a date to be fixed up by the Directors of the Transferee Company which may be extended from time to time at the discretion of the Directors either generally or in respect of any particular case or cases, together with the application form shown on the

reverse thereof duly filled in and signed shall confer the right upon the person presenting the same to the allotment of one new Ordinary Share of the Transferee Company (subject to the right of the Directors of the Transferee Company in their absolute discretion to reject without assigning any reason such application and to refuse any such allotment to any person who is not approved by them, other than a holder of existing Ordinary Shares of the Transferor Company) presenting such coupons and application form. If the coupons are not presented with necessary application for allotment of new Ordinary Shares on or before the date fixed by the Directors or within such extended date as the directors may fix the Directors of the Transferee Company may dispose of the rights conferred by such coupons or any of them in such manner as the Directors of the Transferee Company may in their absolute discretion think fit. The coupons will not carry any right to dividend and shall be negotiable by delivery and endorsement.

8. On a majority in number representing three-fourths in value of the members of the Transferor Company and of the Transferee Company, present either in person or by a proxy at their respective meetings to which this Scheme shall be submitted as required by Section 391 of the Companies Act, 1956, agreeing to this Scheme, the Transferor Company and the Transferee Company respectively will with reasonable despatch apply to the High Court of Gujarat for sanctioning this Scheme of Amalgamation under the said Section 391 of the Companies Act, 1956, and for an order or orders under Section 394 of the Companies Act, 1956 for carrying into this Scheme and for dissolution of the Transferee Company without winding up.
9. Transfer to be made under this Scheme shall when sanctioned by the Court on behalf of both the Companies take effect as from the 1st day of January, 1960 and until the completion of such transfer the Transferor Company shall stand-possessed of the property to be transferred and shall carry on its business for and on behalf of the Transferee Company and in trust for them and shall account and be entitled to be indemnified accordingly.
10. The Directors of the Transferor Company and of the Transferee Company may assent to any modification of this Scheme or to any condition which the Court may deem fit to impose.
11. This Scheme will be operative as soon as but not before this Scheme is sanctioned by the Court under Section 391 of the Companies Act, 1956, both on behalf of the Transferor Company and the Transferee Company and the necessary order or orders under Section 394 of the Companies Act, 1956 are obtained and all necessary resolutions shall have been passed for increasing the Capital of the Transferee Company and the sanction for the issue and allotment of such Shares has been given by the appropriate authorities.
12. For the purpose of giving effect to this Scheme the Directors of the Transferee Company, are authorised to give such directions as may be necessary or desirable and to settle any question of doubt or difficulty whatsoever including any question of doubt or difficulty that may arise with regard to the issue and allotment of the new Ordinary Shares and/or coupons of the Transferee Company as they may think fit.

Dated this 25th day of November, 1960



By the Court,
Sd/- V. J. Merchant
DEPUTY REGISTRAR.
Sd/- M. A. CHAUBAL
Sealer

Dated this 1st day of December, 1960.

True Copy.
Sd/- Illegible

Deputy Registrar
The 2nd day of December, 1960

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 2 OF 1972

connected with

COMPANY APPLICATION NO. 114 OF 1970

In the matter of the Companies Act, 1956

AND

In the matter of The New Shorrock Spg. & Mfg. Co. Ltd.

New Shorrock Spg. & Mfg. Co. Ltd.

a Joint Stock Company registered under Indian Companies

Act, 1882 and having its Registered Office situate

at Asarva Road, Ahmedabad-16 Petitioner.

Versus.

M. G. Investment & Industrial Company Limited,

Bombay.....Respondent.

CORAM: DIVAN J.

(28th/29th March 1972)

ORDER ON PETITION

The above petition coming on for hearing on 28th and 29th day of March, 1972 AND UPON HEARING the said Petition and the order dated the 7th day of December, 1970 whereby the Petitioner Company was ordered to convene a meeting of the shareholders of the Petitioner Company for the purpose of considering and if thought fit, approving, with or without modification, the compromise or arrangement embodied in the scheme of amalgamation proposed to be made between the Petitioner Company and the Respondent Company and annexed to the affidavit of Shri Bhalchandra K. Joshi filed on the 24th day of December, 1971, AND UPON PERUSING the Gujarat Government Gazette, dated 3rd day of February, 1972 and the "GUJARAT SAMACHAR" dated the 31st January, 1972 and the "INDIAN EXPRESS" dated the 30th January, 1972, each containing the advertisement of the said Petition AND UPON READING the affidavit of Shri Govind S Soni showing the publication and despatch of the notices AND UPON READING the report of the Chairman of the said meeting dated 27th day of January, 1971 as to the result of the said meeting AND UPON READING affidavit in reply of Shri S. Rajgopalan, Regional Director, Company Law Board, Western Region, dated 19th day of February, 1972 and the affidavit in rejoinder of Shri Bhalchandra K Joshi Secretary of the Petitioner Company dated the 7th day of March, 1972 AND UPON HEARING Shri A. M. Setalwad with Shri S. P. Bharucha and Shri A. C. Gandhi, Advocates for the Petitioner Company, Shri C.C. Gandhi, Advocate for the Respondent Company and Shri K. G. Vakharia, Advocate for the Central Government, and

it appearing from the report of the Chairman of the meeting that proposed compromise or arrangement embodied in the scheme of amalgamation has been approved unanimously by the members of the petitioner Company present and voting in person or by proxy at the said meeting. THIS COURT, for the reasons recorded the judgement dated the 28th/29th day of March, 1972 and subject to the directions given therein, DOTH HEREBY SANCTION the compromise or arrangement embodied in the said scheme of amalgamation set forth in Exhibit 'F' to the Petition and referred to in the Schedule I hereto AND DOTH HEREBY DECLARE the same to be binding on the members of the Petitioner Company and also on the Petitioner Company AND THIS COURT DOTH FURTHER ORDER THAT the time for presenting this petition in exercise of the powers under rule 7 of the Companies (Court) Rules 1959 be and is hereby extended AND THIS COURT DOTH FURTHER ORDER that the delay in presenting the said petition be and is hereby condoned AND UPON giving an undertaking by A. M. Setalwad Advocate for the Petitioner Company Mr. C. C. Gandhi Advocate for Respondant Company that the scheme of amalgamation would not be implemented for a period of three weeks from today. THIS COURT DOTH FURTHER ORDER that it is not necessary to issue order in respect of the stay of this order AND THIS COURT DOTH FURTHER ORDER that the undertaking given by Mr. Setalwad be and is hereby continued for two more weeks from today i.e. from 17th day of April, 1972 AND THIS COURT DOTH FURTHER ORDER that the parties to the compromise or arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the compromise or arrangement AND THIS COURT FURTHER ORDER that the said Company do file with the Registrar of Companies a certified copy of this order within 14 days from the date of the receipt of the certified copy of the said order AND THIS COURT DOTH LASTLY ORDER that there will be no order as to costs.

SCHEDULE

SCHEME OF AMALGAMATION

OF

M. G. Investment & Industrial Company Limited, a Company originally registered under the Baroda State Companies Act and now having its Registered Office in Bombay.

WITH

The New Shorrock Spg. & Mfg. Co. Ltd., a Company registered under the Companies Act, 1913 and having its Registered Office in Ahmedabad.

1. The undertakings and all the properties, rights and powers of M/s. M. G. Investment & Industrial Co. Ltd. hereinafter called 'the Transferor Company' be without further act or deed transferred to and made to vest in the New Shorrock Spg. & Mfg. Co. Ltd. (hereinafter called "the Transferee Company") with effect from the 1st day of April, 1970 pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 for all the estate and interests of the Transferor Company therein but subject nevertheless to the charges if any, effecting the same.
2. All the liabilities, duties and obligations of the Transferor Company be also without further act or deed transferred to the Transferee Company with effect from the said 1st day of April, 1970 pursuant to the provisions of the said Sections 391 to 394 of the Companies Act, 1956 so as to become as from that day the liabilities, duties and obligations of the Transferee Company.
3. All proceedings, if any, pending at the time of such transfer by or against the Transferor Company be, on such transfer of the Transferor Company continued by or against the Transferee Company.
4. The Transferee Company will on such transfer of the Transferor Company take over all such employees if any, of the Transferor Company and as are willing to join the Transferee Company as

far as possible on the same terms on which they are employed by the Transferor Company so to be amalgamated and their services with the Transferor Company, so to be amalgamated with the Transferee Company prior to such taking over will not be treated as having been broken for the purposes of the Provident Fund Rules or for gratuity or for any other purposes but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company so to be amalgamated.

5. The authorised capital of the Transferor Company is Rs. 25,00,000/- divided into 25,000 Equity Shares of Rs. 100/- each The issued and paid up capital of the Transferor Company is Rs. 10,05,000/- divided into 10,050 equity shares of Rs. 100/- each The net current assets of the Transferor Company as on 31st March, 1970 were Rs. 2,53,438/-.
6. The authorised capital of the Transferee Company is Rs. 5,00,00,000/- divided into 2,00,000 Ordinary shares of Rs. 125/- each and 2,00,000 unclassified shares of Rs. 125/- each. The issued and paid-up capital of the Transferee Company is Rs. 2,50,00,000/- divided into 2,00,000 Ordinary Shares of Rs. 125/- each. The net current assets of the Transferee Company as on 31st December, 1969 were Rs. 5,74,00,000/.
7. The amalgamation of the Transferor Company with the Transferee Company will be made on the basis that every member of the Transferor Company shall in respect of every 5 equity shares in the Transferor Company of Rs. 100/- each held by him on the day when this scheme becomes effective, be entitled as of right to an allotment to himself of 2 Equity Shares in the Transferee Company of Rs. 125/- each credited as fully paid-up and the Transferee Company shall without any application allot to such member in the Transferor Company shares in the Transferee Company to which such member may become entitled. The shares to be so issued under this Scheme shall rank **pari passu** in all respects with the existing Equity Shares of the Transferee Company except that the same shall rank for dividend if any only in respect. of Transferee Company's year beginning 1st January, 1970 (and the same shall be apportioned on time basis for the period 1-4-1970 to 31-12-1970) and subsequent years thereafter. A provision will also be made for the issue and consolidation of fractional certificates to the said holders in necessary cases.
8. On a majority in number representing three fourths in value of the respective members of the Transferor Company and of the Transferee Company present either in person or by proxy at their respective Meetings to which this scheme shall be submitted pursuant to the directions to be given by the respective High Courts as required by Section 391 of the Companies Act, 1956 agreeing to this Scheme, the Transferor Company and the Transferee Company shall proceed with reasonable despatch with the necessary applications to be made by them to the respective High Courts for sanctioning this Scheme of Amalgamation under the said Section 391 of the Companies Act, 1956 and for the purpose of obtaining an order or orders u/s. 394 of the Companies Act, 1956 for carrying into effect the Scheme of Amalgamation as between the Transferor Company and the Transferee Company and for dissolution of the Transferor Company without winding up.
9. The transfer of the Transferor Company with the Transferee Company to be made under this Scheme when sanctioned by the respective High Courts on behalf of both the Companies shall take effect as from the 1st day of April, 1970 and until the completion of such transfer, the Transferor company shall stand possessed of the properties so to be transferred and shall carry on its businesses for and on behalf of and in trust for the Transferee Company and the Transferor Company shall account and be entitled to be indemnified accordingly.
10. This Scheme of Amalgamation of the Transferor Company with the Transferee Company will be subject to such modifications as the High Courts of Judicature at Bombay and Ahmedabad while sanctioning such amalgamation may direct. The Directors of the Transferor Company and of the Transferee Company may accept and assent to any modification of this scheme or to any condition which the Court may deem fit to impose.

11. This Scheme of Amalgamation between the Transferor Company and the Transferee Company shall become operative and effective as soon as but not before this Scheme is sanctioned by the Respective High Courts u/s. 391 of the Companies Act, 1956 both on behalf of the Transferor Company and its shareholders and on behalf of the Transferee Company and its shareholders and necessary orders u/s. 394 of the Companies Act, 1956 are obtained and all necessary Resolutions shall have been passed by the Transferee Company for issuing any share capital required for the purpose of carrying into effect the amalgamation of the Transferor Company with the Transferee Company.
12. For the purpose of giving effect to this Scheme of Amalgamation the Directors of the Transferee Company are authorised to give such directions as they may consider to be necessary or desirable and to settle any question of doubt or difficulty whatsoever including any question or doubt or difficulty that may arise with regard to the issue and allotment of the said shares as they may think fit.

WITNESS P. N. BHAGWATI, ESQUIRE, Chief Justice at Ahmedabad aforesaid these 28th-29th day March, One thousand Nine hundred and Seventy two.

SEAL OF THE COURT
Order drawn by
Sd/- A. C. Gandhi
Advocate for the Petitioner.

By the order of the court,
Sd/- M. M. Shastri
Additional Registrar,
This 29th day of May, 1972.
Sd/- M. M. Shastri
SEALER
This 29th day of May, 1972.
TRUE COPY,
Sd/- M.M. Shastri
Dy. Registrar.
The 30th day of May, 1972.

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 2 OF 1972

connected with

COMPANY APPLICATION NO. 114 OF 1970

In the matter of the Companies Act, 1956

AND

In the matter of The New Shorrock Spg. & Mfg. Co. Ltd.

The New Shorrock Spg. & Mfg. Co. Ltd.

a Joint Stock company registered under Indian Companies

Act, 1882 and having its Registered Office situate

at Asarva Road, Ahmedabad-16 Petitioner.

Versus.

M. G. Investment & Industrial Company Limited,

Bombay Respondent.

CORAM : DIVAN J.

(28th/29th March 1972)

ORDER UNDER RESOLUTION NO. 394

UPON the above petition coming for final hearing on 28th/29th day of March, 1972 and UPON READING the said petition and the order dated 7th day of December, 1970 whereby the Petitioner Company was ordered to convene a meeting of the Shareholders of the Petitioner Company for the purpose of considering, and if thought fit approving, with or without modification, the compromise or arrangement embodied in the scheme of amalgamation proposed to be made between the Petitioner Company and the Respondent Company and annexed to the affidavit of Shri Bhalchandra K. Joshi filed on the 24th day of December, 1971 and UPON perusing the Gujarat Government Gazette dated 3rd day of February, 1972 and the Gujarat Samachar dated 31st day of January, 1972 and the Indian Express dated 30th day of January 1972, each containing the advertisement of the said petition and UPON READING the report of the Chairman of the said meeting dated 27th day of January, 1971 as to the result of the said meeting and UPON READING the affidavit in reply of Shri S. Rajgopalan, Regional Director, Company Law Board, Western Region, dated 19th day of February, 1972 and the affidavit in rejoinder of Shri Bhalchandra K. Joshi, Secretary of the Petitioner Company, dated 7th day of March, 1972 and UPON HEARING Shri A.M. Setalwad with Shri S.P. Bharucha and Shri A.C. Gandhi, Advocates for the Petitioner Company, Shri C.C. Gandhi Advocate for the Respondent Company and Shri K.G. Vakharia, Advocate for the Central Government, THIS COURT for the reasons recorded in its Judgement dated the 28th/29th days of March, 1972 and subject to the directions given therein.

DOTH ORDER

1. That the undertaking i.e. all the assets and liabilities and property, rights and powers of the transferor Company specified in the Schedule hereto and all the other property, rights and powers of the transferor Company be transferred Without further act or deed to the Transferee Company

and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and vest in the transferee Company for all the estate and interest of the transferor Company therein but subject nevertheless to all charges now affecting the same

and

2. That all the liabilities and duties of the transferor Company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the transferee company, and
3. That all proceedings now pending by or against the transferor company be continued by or against the transferee company;
and
4. That the transferee company do without further application allot to the members of the transferor company the shares in the transferee company to which they are entitled under the said compromise or arrangement
and
5. That the transferor company do within 14 days from the date of receipt of the certified copy of this order cause a certified copy of this order to be delivered to the Registrar of Companies, Gujarat for registration and on such certified copy being so delivered the transferor company shall be dissolved and the Registrar of Companies, Maharashtra shall send all documents relating to the transferor company and registered with him to the Registrar of Company, Gujarat to be placed on the file kept by him in relation to transferee company and the files relating to the said two companies shall be consolidated accordingly; and
6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEDULE

(Description of all stock, shares, debentures etc.).

- (1) 9,000 Equity Shares of National Organic Chemical Industries Ltd. of Rs. 100/- each.
- (2) 500 Equity Shares of TAK Machinery Limited of Rs. 100/- each.
- (3) 3,750 Equity Shares of Polyolefins Industries Limited of Rs. 100/- each.
- (4) Cash balance on hand Rs. 25/-
- (5) Bank Balances Rs. 2,56,851/-

WITNESS P N BHAGWATI ESQUIRE Chief Justice at Ahmedabad aforesaid this 28th/29th day of March, One thousand Nine hundred Seventy two.

SEAL OF THE COURT
Order drawn by
Sd/- A. C. Gandhi
(A. C. Gandhi)
Advocate for the Petitioner

TRUE COPY
Sd/- M. M. Shastri
Dy. Registrar
The 30th day of May, 1972.

By the order of the court
Sd/- M. M. Shastri
Additional Registrar
29th day of May, 1972
Sd/-
M M Shastri
SEALER
This 29th day of May, 1972
Sd/-

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 11 OF 1973

CONNECTED WITH

COMPANY APPLICATION NO. 8 OF 1973

In the matter of the Companies Act, 1956,

And

In the matter of The New Shorrock Spg. & Mfg. Co. Ltd.

The New Shorrock Spg. & Mfg. Co. Ltd.,
an existing Company as defined in the
Companies Act, 1956, and having its
registered office situate at Asarwa Road,
Ahmedabad-16.

PETITIONER COMPANY

Coram: D. A. Desai J.

(26th September 1973)

ORDER ON PETITION

UPON the above Petition coming up for hearing on 26th September, 1973, AND UPON READING the said Petition and the Order dated 16th February, 1973 whereby the Petitioner Company was ordered to convene a meeting of the equity shareholders of the Petitioner Company for the purpose of considering, and if thought fit, approving, with or without modification, the compromise or arrangement embodied in the Scheme of Amalgamation proposed to be made between Mafatlal Gagalbhai & Co. Pvt. Ltd., and the Petitioner Company and annexed to the affidavit of Shri Bhalchandra K. Joshi, filed on 12th day of April, 1973 AND UPON PERUSING the Times of India, Bombay Edition dated 14-4-1973, Times of India, Ahmedabad Edition dated 13-4-1973, Gujarat Government Gazette dated 19-4-1973 and Gujarat Samachar dated 13-4-1973 each containing the advertisement of the said Petition AND UPON READING the affidavit dated 1st day of May, 1973 of Shri Govind S. Soni showing the publication and despatch of these notices AND UPON READING the report of the Chairman of the said meeting dated 3rd day of April, 1973 as to the result of the said meeting AND UPON HEARING Shri J. M. Thakore, Advocate General with Shri Ashok C. Gandhi, Advocate for the Petitioner Company and Shri K.G. Vakharia, Advocate for the Central Government and it appearing from the report of the Chairman of the meeting that the proposed compromise or arrangement embodied in the Scheme of Amalgamation has been approved unanimously by the members of the Petitioners Company present and voting in person or by proxy in the said meeting, THIS COURT, for the reasons recorded in the Judgement dated 26th September, 1973 DOTH HEREBY SANCTION the compromise or arrangement embodied in the scheme of the amalgamation set forth in the Exhibit "G" to the Petition referred to in the Schedule I hereto, subject to the following conditions

- (i) That the Mafatlal Family shall disinvest in favour of the public (other than Mafatlal Group of Individuals and inter-connected Companies), 60% of net additional issue of 99,023 shares of the Transferee Company within a period of 2 (two) years from the date of such issue.

- (ii) The further issue of shares is subject to the approval of the Controller of Capital Issues.

AND DOTH HEREBY DECLARE the same to be binding on the Members of the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that the parties to the compromise or arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the compromise or arrangement AND THIS COURT DOTH FURTHER ORDER that the said Company do file with the Registrar of Companies a certified copy of order within 30 days from the date of the receipt of certified copy of the said order AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay the costs of the Central Government quantified at Rs. 100/-.

THE SCHEDULE ABOVE REFERRED TO:

SCHEME OF AMALGAMATION

OF

Mafatlal Gagalbhai & Company Private Limited, a company having its registered office at Mafatlal House, Backbay Reclamation, Bombay,

With

The New Shorrock Spinning & Manufacturing Company Limited, a Company having its Registered Office at Asarwa Road, Ahmedabad.

1. The undertakings and all the properties, rights and powers of Mafatlal Gagalbhai & Company Private Limited (hereinafter called M.G. & Co. Pvt. Ltd.) be without further act or deed transferred to and made to vest in The New Shorrock Spinning & Manufacturing Company Limited (hereinafter called "New Shorrock") with effect from 1st day of April, 1972 pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956, for all the estates and interests of M.G. & Co. Pvt. Ltd., therein but subject nevertheless to the charges, if any, affecting the same.
2. All the liabilities, duties and obligations of M.G. & Co. Pvt. Ltd., be also without further act or deed transferred to New Shorrock with effect from the said 1st day of April, 1972 pursuant to the provisions of the said sections 391 to 394 of the Companies Act, 1956 so as to become as from that day the liabilities, duties and obligations of New Shorrock.
3. All proceedings, if any, pending at the time of such transfer by or against M.G. & Co. Pvt. Ltd., be on such transfer of M.G. & Co. Pvt. Ltd., continued by or against New Shorrock.
4. New Shorrock Mill, on such transfer of M.G. & Co. Pvt. Ltd. take over all such employees, if any, of M.G. & Co. Pvt. Ltd., and as are willing to join New Shorrock as far as possible on the same terms on which they are employed by M.G. & Co. Pvt. Ltd., and their services with M.G. & Co. Pvt. Ltd., so to be amalgamated with New Shorrock prior to such taking over will not be treated as having been broken for the purposes of the Provident Fund Rules or for Gratuity or for any other purposes but will be reckoned for all such purposes from the date of their respective appointments with M.G. & Co. Pvt. Ltd., so to be amalgamated.

Mr. Arvind N. Mafatlal, who is the Managing Director of M.G. & Co. Pvt. Ltd., shall on and after amalgamation be the Managing Director designated as Senior President of New Shorrock on the existing terms as to the remuneration and other terms and with the powers as are contained in the existing agreement with him dated 13th May, 1971 for the balance period of his existing appointment not exceeding 5 years from the date of amalgamation.

5. The amalgamation of M.G. & Co. Pvt. Ltd. with New Shorrock will be made on the basis that every member of M.G. & Co. Pvt. Ltd. shall in respect of every Ordinary Share in M.G. & Co. Pvt. Ltd. of Rs. 100/- held by him on the day when this Scheme becomes effective, be entitled as of right to an allotment to himself of 1 Ordinary Share in New Shorrock of Rs. 125/- credited as fully paid-up and New Shorrock shall, without any application, allot to such member in M.G. & Co. Pvt. Ltd., shares in New Shorrock to which such member may become entitled. The shares to be so issued under this Scheme shall rank **pari passu** in all respects with the existing Ordinary Shares of New Shorrock except that the same shall rank for dividend, if any, only pro-rata on a time basis as from 1st April, 1972 in respect of New Shorrock's Accounting period beginning 1st January, 1972 and fully in respect of subsequent Accounting years thereafter.

M.G. & Co. Pvt. Ltd. holds at present 1,01,154 Ordinary Shares of New Shorrock. As all the properties of M.G. & Co. Pvt. Ltd. immediately before the amalgamation are to become the properties of New Shorrock by virtue of this scheme of amalgamation the said, 1,01,154 shares will become the property of New Shorrock. The said shares shall then stand cancelled since a Company cannot hold its own shares.

M.G. & Co. Pvt. Ltd. has on 1st July, 1972 redeemed the 75,750 Preference Shares. Accordingly, no capital need be issued by New Shorrock against the shares so redeemed.

New Shorrock shall allot to the holders of Ordinary Shares in M.G. & Co. Pvt. Ltd. as of the date to be fixed by the Board of Directors of New Shorrock on completion of the requisite formalities of amalgamation, one Ordinary Share of New Shorrock of Rs. 125/- credited as fully paid-up in respect of each Ordinary Share of Rs. 100/- held by such person in M.G. & Co. Pvt. Ltd. This would result in an issue of 2,02,100 Ordinary Shares of Rs. 125/- each by New Shorrock. In regard to the accounting period of New Shorrock from 1st January, 1972 to 31st March, 1973, the 98,846 shares forming part of the existing Capital of New Shorrock shall rank for dividend for the full period of 15 months, whilst the 2,02,100 shares to be allotted to the shareholders of M.G. & Co. Pvt. Ltd. would rank for 12 months of that period.

6. There is a proposal for the amalgamation of M.G. Investment & Industrial Co. Ltd., with New Shorrock which is pending the approval of the Controller of Capital Issues for the issue of capital. The Scheme involves the allotment of 4,020 Ordinary Shares by New Shorrock ranking in all respects **paripassu** with the existing 2,00,000 Ordinary Shares as from 1st April, 1970.

The said Scheme of Amalgamation has been sanctioned by the respective High Courts of Bombay and Gujarat. The Union of India had filed an Appeal to High Court at Gujarat which is pending, and while their Appeal to the Bombay High Court has been dismissed. The Union of India has filed an Appeal to the Supreme Court.

Irrespective as to whether the Scheme of Amalgamation of M.G. Investment & Industrial Co. Ltd. with New Shorrock is implemented or not, the basis of amalgamation suggested for this Scheme of Amalgamation of M.G. & Co. Pvt. Ltd. with New Shorrock remains unchanged. In other words whether New Shorrock makes the issue of 4,020 Ordinary Shares under the Scheme of Amalgamation of M.G. Investment & Industrial Co. Ltd. or not, the basis of the present amalgamation would remain undisturbed. It may, however, be pointed out that if the Scheme of Amalgamation of M. G. Investment & Industrial Co. Ltd., with New Shorrock becomes effective before the present Scheme is implemented, then M. G. & Co. Pvt. Ltd., as the shareholder of M.G. Investment & Industrial Co. Ltd. would be entitled to allotment of further 1,923 shares and three-fifth of a share in New Shorrock and such Shares would also stand cancelled under the present Scheme of Amalgamation in like manner as the 1,01,154 Shares held by M.G. & Co. Pvt. Ltd.

7. There is a proposal by New Shorrock pending before the Controller of Capital Issues for capitalisation of a sum of upto Rs. 25,50,250/- from the Reserves of New Shorrock for issue of Bonus Shares in the proportion of one Bonus Ordinary Share for every 10 Ordinary Share of New Shorrock. The ratio recommended in para 5 above is on the footing of the existing capital of New Shorrock being at 2,00,000 Ordinary Shares of Rs. 125/- each. If these present Scheme is implemented after the said Bonus issue is made, then in that event New Shorrock should allot 11 Ordinary Shares of Rs. 125/- each credited as fully paid up against every 10 ordinary shares of Rs. 100/- each of M.G. & Co. Pvt. Ltd. in place of the ratio of one to one mentioned in para 5 and in that event the number of Ordinary Shares to be issued by New Shorrock shall stand increased from 2,02,100 to 2,22,310. Whether the quantum of Bonus Issue by New Shorroak will be 20,000 Shares or 20,402 Shares will not affect the ratio proposed in this Scheme. If the bonus issue is made M.G. & Co. Pvt. Ltd., will receive 10,115 Shares and four tenth of a Share or 10,307 Shares and four fifth of a Share. The Shares so received as bonus by M.G. & Co. Pvt. Ltd will stand cancelled in the same manner and for the same reason as mentioned in para 5.
8. In the event of ratio of issue of shares by New Shorrock being 11 against 10 shares in the circumstances stated in para .7 above New Shorrock shall make provision for issue of and consolidation of fractional certificates.
9. Subject as hereinafter provided, M.G. & Co. Pvt. Ltd. shall not distribute any dividends on its Ordinary shares in respect of accounting year 1972-73 and subsequent years during the Scheme has not become effective.

New Shorrock will when declaring dividends on its Ordinary Shares keep as provided in para 5 above a provision for dividend at the same rate in respect of shares to be allotted under the present Scheme and such dividend on such shares shall be deemed to be declared and payable if and when this Scheme becomes effective and it is clarified that New Shorrock need not make a provision for dividends on shares which will ultimately stand cancelled on the Scheme becoming effective. Provided, however, that if the Scheme does not become effective before the 31st December, 1973;

- (a) M G & Co Pvt. Ltd shall be entitled to declare out of its profits for the accounting year commenced on 1st April, 1972, a dividend per share of an amount equivalent to the amount of dividend declared by New Shorrock per share for New Shorrock's acccountirig period 1st January, 1972 to 31st March, 1973, pro-rata for 12 months, and
- (b) New Shorrock shall be entitled to declare out of its profits for the Accounting period commence on 1st January, 1972 a dividend on the ordinary shares other than the Ordinary Shares held or to be allotted to M. G. & Co. Pvt. Ltd., as mentioned in paras 6 and 7 for the accounting period 1st January, 1972 to 31st March, 1973, and will declare and pay the dividend in respect of shares now held as also thoseto be allotted to M.G. & Co. Pvt. Ltd. by a separate declaration, such declaration being contingent and effective only if the present Scheme does not become effective.

The above stated provisions shall apply in like manner for all subsequent accounting years of M.G. & Co. Pvt. Ltd. and New Shorrock in regard to declaration of dividends until such time as the Scheme becomes effective and in such event, namely declaration of dividends as above provided the Ordinary Shares to be allotted under this Scheme by New Shorrock shall rank for dividend only for the accounting year immediately succeeding that accounting year of New Shorrock in respect of which dividend has last been declared as aforesaid.

10. On a majority number represnting three-fourths in value of the respective members of M.G. & Co. Pvt. Ltd. and of New Shorrock present either in person or by proxy at their respective Meetings to which this Scheme shall be submitted pursuant to the directions to be given by the respective High Courts as required by Section 391 of the Companies Act, 1956 agreeing to this Scheme, M.G. & Co.

Pvt. Ltd. and New Shorrock shall proceed with reasonable despatch with the respective necessary applications to be made by them to the High Courts for sanctioning this Scheme of Amalgamation under the said Section 391 of the Companies Act, 1956 and for the purpose of obtaining an order or orders under Section 394 of the Companies Act, 1956, for carrying into effect the Scheme of Amalgamation as between M.G. & Co. Pvt. Ltd. and New Shorrock and for dissolution of M.G. & Co. Pvt. Ltd. without winding up.

11. The transfer of properties of M.G. & Co. Pvt. Ltd. to New Shorrock to be made under this Scheme when sanctioned by the respective High Courts on behalf of both the Companies shall take effect as from the 1st day of April, 1972 and until the completion of such transfer, M.G. & Co. Pvt. Ltd., shall stand possessed of the properties so to be transferred and shall carry on its business for and on behalf, of and in trust for New Shorrock and M.G. & Co. Pvt. Ltd. shall account for and be entitled to be indemnified accordingly.
12. This Scheme of Amalgamation of M.G. & Co. Pvt. Ltd. with New Shorrock will be subject to such modifications as the High Court of Judicature at Bombay and Ahmedabad while sanctioning such amalgamation may direct. The Directors of M.G. & Co. Pvt. Ltd. and of New Shorrock may accept and assent to any modification of this Scheme or to any condition which either Court may deem fit to impose.
13. This Scheme of Amalgamation between M.G. & Co. Pvt. Ltd. and New Shorrock shall become operative and take effect as soon as but not before this Scheme is sanctioned by the respective High Courts under Section 391 of the Companies Act, 1956 both on behalf of M.G. & Co. Pvt. Ltd. and its shareholders and on behalf of New Shorrock and its shareholders and necessary orders under Section 394 of the Companies Act, 1956 are obtained and all necessary Resolutions shall have been passed by New Shorrock for issuing any share capital required for the purpose of carrying into effect the amalgamation of M.G. & Co. Pvt. Ltd. with New Shorrock.
14. For the purpose of giving effect to this Scheme of Amalgamation the Directors of New Shorrock are authorised to give such direction as they may consider to be necessary or desirable and to settle any question or doubt or difficulty whatsoever including any question or doubt or difficulty that may arise with regard to the issue and allotment of the said shares as they may think fit.

WITNESS B. J. DIVAN; Esquire, Chief Justice at Ahmedabad aforesaid this 26th day of September One Thousand nine hundred and Seventy three.

By the Order of the Court,
Sd/- R. L. Dave, 1-11-1973
Additional Registrar.

This 1st day of November 1973,

Sd/- M. H. Rana
1-11-1973 SEALER

Order drawn up by
Sd/- Ashok C. Gandhi
(Ashok C. Gandhi)

Advocate for the Petitioner-Company

This 1st day of November, 1973.



TRUE COPY

Sd/-
Deputy Registrar
2-11-73

The 2nd day of November, 1973

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

Company Petition No. 11 of 1973

Connected with

Company Application No. 8 of 1973

In the matter of the Companies Act, 1956,

And

In the matter of the New Shorrock Spg. & Mfg. Co. Ltd.

Coram D.A. Desai J.

(26th September, 1973)

The New Shorrock Spg. & Mfg. Co. Ltd.,
an existing Company as defined in the
Companies Act, 1956, and having its
registered office situate at Asarwa Road,
Ahmedabad-16.

Petitioner Company

ORDER UNDER SECTION 394

UPON the above Petition coming up for final hearing on 26th day of September, 1973 and UPON READING the said Petition and the Order dated 16th February, 1973, whereby the Petitioner Company was ordered to convene a meeting of the shareholders of the Petitioner Company for the purpose of considering and approving, if thought fit, with or without modification, the compromise or arrangement embodied in the Scheme of Amalgamation proposed to be made between Mafatlal Gagalbhai & Company Pvt. Ltd., and the Petitioner Company and annexed to the affidavit of Shri Bhalchandra K. Joshi filed on the 6th day of April, 1973, AND UPON PERUSING The Times of India, Bombay, dated 14-4-1973. The Times of India, Ahmedabad, dated 13-4-1973, Gujarat Government Gazette, dated 19-4-1973 and Gujarat Samachar, dated 13-4-1973 each containing the advertisement of the said Petition AND UPON READING the report of the Chairman of the said Meeting dated 3rd April, 1973, as to the result of the said meeting AND UPON HEARING Shri J. M. Thakore, Advocate General with Shri Ashok C. Gandhi, Advocate for the Petitioner Company and Shri K. G. Vakharia Advocate for the Central Government, THIS COURT for the reasons recorded in the Judgement dated 26th day of September, 1973, DOTH ORDER.

1. That the undertakings and all properties, rights and powers of the Transferor Company specified in the Schedule hereto and all other properties, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and vest in the Transferee Company with effect from 1st day of April 1972 for all the estates and interests of the transferor Company therein, but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities, duties and obligation of the transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties and obligations of the Transferee Company; and

3. That all proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
 4. That the Transferee Company do without further application allot to the members of the Transferor Company the shares in the Transferee Company to which they are entitled under the said compromise or arrangement; and
 5. That the Transferor Company do within 30 days from the date of receipt of the certified copy of this order cause a copy of the order to be delivered to the Registrar of Companies, Gujarat for registration; and
 6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.
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SCHEDULE "II"

PART "I"

Short description of the immovable property

AT CALCUTTA

- (1) ALL THOSE following pieces or parcels of lands comprising a total area of 32.34 acres situated within mouza Sijberia, Pargana Balla Thana and Sub-Registry Uluberia in the District of Howrah, J.L. No. 106, Revenue Survey No. 2276 and for which a total annual rent of Rs. 859.03 is payable to the Government of West Bengal.

R.S.		Khatien No.	Dag No.:		Area in Acres	Rent Payable Rs. Ps.
1		287	1590		0.05	1.46
2		288	1594		0.08	1.65
3		289	1593		0.02	1.38
4		292	1623		0.36	7.72
5		585	1573	0.18		
			1629	0.65		
			605/1025	0.09	0.92	18.48
6		318	1598		1.11	19.81
7		586	1567		17.33	
			1568		0.47	
			1569		0.08	
			1570		1.38	
			1571		0.48	
			1574		0.18	
			1630		0.74	
			1599/1672		0.46	
			1567/1674		0.25	
			1630/1675		0.13	
			1642/1676		0.10	
			1645/1694		0.03	432.95
					24.17	483.45
8		587	1631	0.02		
			1639	0.08		
			1641	0.06		
			1567/1673	0.13	0.29	5.83
9		588	1636		1.13	
			1640		0.24	
			1642		0.37	

R.S.		Khatien No.	Dag No.:		Area in Acres	Rent Payable Rs. Ps.
			1576		0.08	
			1578		0.07	
			1572		0.52	
			1571/1671		0.03	
			1599		0.99	
			1646/1701		0.05	
					<u>3.38</u>	<u>69.75</u>
10		326	1575/1670		0.02	
11		484	1567/1667	1.05		
			1629/1668	0.29		
		Chakari	1585/1669	0.93		
		Embankment	1628	0.20		
			1667/1700	0.01	1.58	
			1687/1695	1.86		
			1668/1696	0.03		
			1666	0.58		
			1666/1687	0.42		
			1566	0.01	2.90	300.00
			Total Area		32.34 Acres	Total Rent <u>859.03</u>

together with all the buildings, sheds, out-houses, godowns and other constructions of structures, jetties, cranes and all fixed plant and machinery erected, built, attached, fixed or situated on the said lands or on parts thereof and appertaining to and known as Gagalbhai Jute Mills.

AT BOMBAY

(2) Flats and Garages in "Sea-Face Park".

Five shares bearing No. 261 to 265 of the Sea Face Park Co-operative Housing Society Ltd., with a Right to Occupy the following Flats and Garages

Flat No :	Garage No.
A:6	10
A:9	62
A:12	6
8:7	13
D:4	25
D:12	27
E:2	35
E:3	41
E:11	39
	34

in the property known as "SEA-FACE PARK" at Bhulabhai Desai Road, belonging to Sea-Face Park Co-operative Housing Society Ltd, registered in the books of the collector of Bombay under Rent Roll No.: 8417 and bearing cadastral Survey No. 885 of Malbar and Cumballa Hill Division.

The following flats and Garages owned by the Company in the Sea-Face Park Co-operative Housing Society Ltd., as on 1-4-1972 were sold subsequently

Flat No	Garage No.
A:1	52
B:1	16
D:3	18

(3) **Flat No. 53 and Garage No. 14 in "Rajat Apartment"**

Share Certificates in respect of 10 Shares of Rajat Apartments Co-operative Housing Society Ltd., and bearing Distinctive Nos. 201 to 205 and 281 to 285, with Right to occupy Flat No. 53 and Garage No. 14 in the property known as "Rajat Apartments" of Rajat Apartments Co-operative Housing Society Ltd., situate at Mount Pleasant Road, Malabar Hill, built on the land bearing C. S. No. 1/359 (Part of Malabar and Cumballa Hill Division and part of Municipal D-Ward No. 3263 and 3291, Street No. 18 Ward No. 3265 (1), Street No. 20 and Ward No. 3265 (3), Street No. 20B, Mount Pleasant Road.

(4) **Flat No. 16 in "Prem Milan".**

Share Certificate in respect of 5 shares issued in the name of Mr. Narendra Girdharilal Patel bearing Distinctive Nos. 76 to 80, with a Right to occupy Flat No. 16 in the property known as "Prem-Milan" of Prem Milan Co-operative Housing Society Ltd., situate on leasehold land at Nepean Sea Road, in the Registration sub-District and Registration District of Bombay together with the building thereon known as "Prem-Milan" which premises bear C. S. No. 235 of Malabar Hill and Cumballa Hill Division and assessed by the Municipal Corporation under D-Ward No. 3186, Street No. 87B. The shares are held by Mr. Narendra G. Patel on behalf of the Company vide his declaration dated 17th November, 1961.

(5) (i) **Flat No. 5B in the building known as "Vaibhav" under construction**

Right to occupy Flat No. 5B in the property known as "Vaibhav" of the Modern Breach Candy Apartments Co-operative Housing Society Ltd., situate at Bhulabhai Desai Road bearing C.S. No. 1/697 of Malabar and Cumballa Hill Division and Municipal D-Ward No. 3539 (6A), Street No. 76.

(ii) **Flat No. 13A in the building known as "Vaibhav" under construction, purchased after 1-4-1972 :**

Right to occupy Flat No. 13A in the property known as "Vaibhav" of The Modern Breach Candy Apartments Co-operative Housing Society Ltd., situate at Bhulabhai Desai Road, bearing C. S. No. 1/697 of Malabar and Cumballa Hill Division and Municipal D-Ward No. 3539 (6A). Street No. 76 Share Certificate in respect of 10 shares of Rs, 50/- each bearing Distinctive Nos. 16 to 25 with a right to occupy Flat Nos. 5B and 13A.

(6) Right to occupy Room Nos.: 6 and 10 in the property known as "Olympus" of Olympus Co-operative Housing Society Ltd., situate on land bearing C. S. No. 653 of Malabar and Cumballa Hill Division at Altamount Road, Bombay.

(7) Right to occupy Room No. 7 in the property known as "Mount- Unique" of Mount Unique Co-

operative Housing Society Ltd., situate at 62-A, Padder Road, Bombay-26 bearing C. S. No. 674 of Malabar-Cumballa Hill Division.

PART II

Short description of Leasehold Properties of the transferor company AT BOMBAY

(1) **Property known as “Mafatlal House”.**

ALL that piece of leasehold land known as Plot No. 162 in Block No. II of the Backbay Reclamation, Estate of the Government of Bombay, now Government of Maharashtra with the buildings and erections thereon within the City and Registration Sub-District of Bombay containing by admeasurement 1798 1/9 square yards or thereabouts (1503.44 square metres) and bounded as follows that is to say on or towards the North by a fifty feet Road on or towards the South by Plot No. 154 of the same estate on or towards the East by Plot No. 163 of the same estate and on or towards the West by another fifty feet Road, and which said piece of land is registered in the books of the Collector of Bombay under Rent Roll No. 10196 and bears cadastral Survey No. 1598 of the Fort Division.

(2) **Property known as “Mafatlal Centre”.**

ALL that piece of leasehold land known as Plot No. 221 and 222 in Block III of the Backbay Reclamation Estate of the Government of Maharashtra together with the building and erections and installations thereon situate on the Foreshore Road within the City and Registration Sub-District of Bombay containing by admeasurement 4265 (Approx.) square yards or thereabouts (3566.08 square meters) and bounded as follows that is to say on or towards the North by the Elliptical Road, on or towards the South by Plot Nos. 240, 241 and 242 on or towards the East by Plot No. 223 and on or towards the West by a 50 feet Road and which said piece of land is registered in the books of the collector of Bombay under Rent Roll No. 10218 and bears Cadastral Survey No. 1911 of the Fort Division. This property is held under an Agreement to Lease dated the 25th day of July, 1963 between the Government of Maharashtra and Mafatlal Gagalbhai & Co. Private Ltd. The lease of the property is still to be executed.

(3) **Babulnath Road Property - Sold after 1-4-1972**

ALL that piece or parcel of leasehold land or ground together with the messauages tenement of building and Motor Shed or garage standing thereon situate at Babulnath Road being Plot No. 92 of the Gamdevi Estate in the City and Island of Bombay in the Registration Sub-District of Bombay in the Island of Bombay containing by admeasurement 1044 (one thousand and forty four) square yards (872.88 square metres) less land taken by the Municipal Corporation of Bombay on set back namely 102.70 square yards (85.8386 square metres) the net area being 941.30 square yards (782.9 square metres) or thereabouts, and forming portion of the land bearing New Survey Nos. 7306 and 7309 and bearing Cadastral Survey No. 417 of Malabar and Cumballa Hill Division and assessed by the Assessor and Collector of Municipal Rates and Taxes under D. Ward No. 2649 (3A) Street No. 3 and bounded as follows i.e. on the North East by land of the Board laid out as a Service passage on the South East by Plot No. 91 of the said estate on the South West by Plot No. 93 of the said estate and on the North West by the Babulnath Road.

At Gandhidham Kutch

- (4) Share Certificates in respect of 25 shares of The Sindhu Re-Settlement Corporation Ltd. of the face value of Rs. 1,000/- each bearing distinctive Nos. 3617/3641 with a right to occupy all that piece of leasehold land admeasuring 1096 square yards (916.40 square metres or thereabouts being Plot No. 304 of Ward No. 12-B situated in the new Township of Gandhidham near Kandla Port, Kutch, in

the Sub-Registration District of Anjar, Registration District Kutch and which said plot is bounded as follows : that is to say, surrounded on North by 60' Road wide, surrounded on South by Plot No. 313 and surrounded on East by Plot No. 305 and surrounded on West by Plot No. 303, AND with a right to occupy all that piece of leasehold land admeasuring 1077.22 square yards (900.66 square metres) or thereabouts Plot No. 305 of Ward 12-B situated in the new Township of Gandhidham near Kandla Port, Kutch, in the Sub-Registration District of Anjar, Registration District, Kutch and which said plot is bounded as follows that is to say, surrounded on North by 60' Road wide, surrounded on South by Plot No. 314, surrounded on East by 100' Road wide and surrounded on West by Plot No. 304.

WITNESS B. J. DIVAN, ESQUIRE, Chief Justice at Ahmedabad aforesaid this 26th day of September One thousand nine hundred and Seventy three.

By the order of the Court,
Sd/- R. L. Dave
Additional Registrar
This 1st day of November, 1973
Sd! M H Rana
1-11-1973.
Sealer
This 1st day of November, 1973.

Order drawn up by,
Sd/- Ashok C. Gandhi,
(ASHOK C. GANDHI)
ADVOCATE FOR THE PETITIONER COMPANY.



TRUE COPY
Sd/-
DEPUTY REGISTRAR
2-11-73
The 2nd day of November, 1973
The Seal of
the High Court of Gujarat.

PART III
SHORT DESCRIPTION OF STOCKS SHARES DEBENTURES AND OTHER CHOSES IN ACTION OF THE
TRANSFEROR COMPANY

1 **GOVERNMENT SECURITIES**

	Rs
4 1/2 % Government of India Loan, 1977 of the face Value of	14800/-
5 1/2% Government of India Loan, 2000 of the face Value of	2,88,800/-
4 1/2% Maharashtra State Development Loan, 1974 of the face Value of	1,25,000/-
5 3/4 % Gujarat State Development Loan, 1981 of the face Value of	1,50,000/-

2 **INVESTMENT IN SHARES & DEBENTURES**

SR. No.	Name of the Company	No. of Shares held		Distinctive Nos.	Remarks
		Equity	Pref.		
1.	Ahmedabad Jupiter Spg. Wvg. & Mfg. Co.	6508	-	6030,6719,7448/7457, 8201, 10674/10676, 4388/4390, 4392/4393, 5237, 5277/5278, 5416/5418, 6004/6007, 6800, 8564/8579, 1745/2544, 2782/2917, 6801/6814, 7356/7357, 7409, 7540,8202/8563, 8580/9664, 10126, 10188/10190, 10979, 10993, 11284/11285, 11901/11903, 12261/12262, 12385, 22344/22359, 23700/23715, 17211/19641, 32814/32827, 37520, 32053/32202,34400/34513, 38898, 40888/42181, 42814/42817, 44140/44142, 48218.	All these shares were sold after 1-04-1972
2.	Associate Cement Cos. Ltd.	50	-	2620796/2620845	
3.	Anil Starch Product Ltd.	66	-	1785, 4903, 4302, 28516, 43040, 41854, 22662, 1650, 18485, 15896, 24834, 49011, 30217, 46359, 32175, 44455, 34009, 10199, 28421, 29215, 30191, 24841, 24842, 49373, 3033, 8286, 8287, 23160, 21481/21486, 41312, 41313, 32248, 32249, 40130, 40131, 7021, 32142, 16714, 915, 31275, 18691, 97320/97335, 7613/7616.	
	-Do-	1	-	99402	Share received upon consolidation of coupons after 1-4-1972

SR. No.	Name of the Company	No. of Shares held		Distinctive Nos.	Remarks	
		Equity	Pref.			
4.	Bombay Uganda Co. Ltd. (in Voluntary Liquidation)	130	-	Shares Surrendered to the Company	The shares were sold after 1-04-1972	
5.	Commerce (1935) Ltd.	4375	-	27103/30000, 19455/20804, 20855/20874, , 17945/17951, & 10846/10945.		
6.	Gujarat State Fertilisers Co. Ltd.	50	-	101/150		
7	do Hindustan Motors Limited	500 3333	-	422883/423382 12356264/12359563, 12359564/12359596.		
8	Hoechst Dyes & Chemicals Ltd.	20000	-	3/1002, 20001/20875, 3003/9802, 9803/10002, 22398/28522, 37501/42500.		
9	India Exchange Ltd.		250	9503/9752		
10	industrial investment Trust Ltd.	110	-	39428/39432, 38871/38875, 91281/91305, 91331/91335, 89076/89110, 89116/89145, 54334/54338,		
11	indian Dyestuff Industries Ltd.	62289	-	1/3600, 10609/10943, 12211/12220, 12241/12245., 11271/11275, 11276/11290, 14023/14027, 13913/13922, 7161/7260, 11996/12095, 91665/124664, 124665/ 125504, 142510/148034, 217446/220556, 223968/ 223978, 138581/138587, 140680/140683, 33784/33794, 39836/39840, 27282/27286, 48925, 77691/77696, 223683/223686, 232136/ 237291, 247786/ 247790, 245047/245073, 248428 /248430, 287522/297902, 298892.		
12	do indian Dyestuff Industries Ltd.	11-	-	17886/17896		
13	Jaybharat Credit and investment Co. Ltd.	22500	50	3401/3450		
14	Mafatlal Fine Spg. & Mfg. Co. Ltd.	121578		385921/408420. 1/50, 1152/1201, 10702/ 10751, 1151, 1252, 1353, 1454, 3442/3538, 4017/4216, 8651/10650, 10701, 11152/11451, 19238/22737, 23438/28989, 29001/29050, 34626/ 34675, 34576, 34625, 56954/57043, 57044/57053, 37854/52453, 57054/57 453, 57454/57507, 72501/ 81239, 86288, 86289, 81663/ 81674, 85435/85446,82648/ 82659,130 312/174000 101347/ 101408, 129999/130060, 124760/124769, 109106/109167,		
						These Shares were purchased after 01-04-1972

SR.	Name of the Company	No. of shers	held	Distinctive Nos.	Remarks
	Mafatlal Fine Spg. & Mfg. Co. Ltd.	8000	-	206848/214738, 198848/206847, 214989, 238474/264388, 266789.	
15	M. G Investment & industries Limited.	4809	-	23238/23437, 51/1150, 1253/1352, 1354/1453, 17592/17691, 2342/3441, 22938/23237, 7251/8650, 1202/1251, 10651/10700, 4217/6316, 11452/12151, 12152/12201, 14501/14550, 10752/11151, 22738/22937,	These Shares were purchased after 01-04-1972
16	Mihir Textile Ltd.	-	5	2/40, 42/238, 241/999, 2006/2105, 2344/2400, 8474/8913, 9943/9956, 1006/2005, 2106/2257, 5242/6953, 9321, 9073/9076, 9971/9973, 9926, 9871, 9511/9839.	
17	Maysore Commercial Union Ltd.	5	-	4196/4200	Upon Amalgamation with New Sharrok Spg. & Mfg. Co. Ltd. 1929-3/5 Shares of that Company were received in lieu of these shares after 1-04-1972
18	National Organic Chemical industries Ltd. NOCIL)	115346	-	55541/55545	these shares were sold after 1-04-1972
19	Newbridge industries Ltd.	113044	-	75092/150091, 526592/551591, 670964/673660, 673884/674000, 180092/187591, 551592/556591, 59/90,	
20	New India Assurance	117	-	220003/333046	
21	Polyolafins Industries Ltd.	5045	-	184196/184200, 16013/160717, 60096/60120, 385581/385585, 493509/493513, 526284/526288, 690875/690879, 345173, 459662, 805867, 824495/824521, 444930/444951, 225222/225226, 71807/71811.	These shares were surrendered after 1-04/1972 to the General Insurance Corporation of India
22	Sindhu Resettlement Corporation Ltd.	25	-	120156/121313, 318566/318575, 121314/122313, 503987/505070, 280751/281945, 506955/507551, 537979.	
23	SLM Maneklal Industries Limited	960	-	3617/3641	
24	Solid Containers Ltd.	4500	-	12190/12989, 83 658/ 83817, 012821/016820, 016821/017320.	
25	Statesman Ltd.	6909	-	73228/74361, 21101/26350, 63336/63860	
	do	21	-	74362/74382	These Shares were sold after 1-04-1972
26	Surat Cotton Spg. & Wvg Mills Pvt. Ltd.	1	-	63468	These shares were sold

SR. No.	Name of the Company	No. of shers Equity	held	Distinctive Nos.	Remarks Pref.	
28	TAK Machinery Ltd.	1750	-	14069/14568, 20751/21250, 18469/19218.		
29	Trade Wings Pvt. Ltd.	297	-	3270/3369, 4401/4436, 4937/4965, 5811/5942.		
30	United Asia Publications Ltd.	60	-	201/250, 751/760	these shares were sold	
31	western Times Publications Ltd.	250	-	2396/2645.	after 1-04-1972	
32	New Shorrocks Spg. & Mfg. Co. Ltd.	101154	-	753/760, 2501/2600, 4631/4700, 6301/8900, 10001/10340, 15601/23000, 23061/23080, 23617/29260, 29507/29510, 29531/29546, 29511/29530, 31720/38721, 41023/41025, 40552/40557, 40546/40551, 40436/40441, 47608/47611, 54366/54377, 55879, 59303/71407, 74437/74444, 74429/74436, 76321/76328, 74203/74210, 77499/79389/86190, 87464/87467, 87460/87463 88221/88224, 87397/87400, 88818, 91375/96717, 90038/90040, 98176/98178, 97686/97688, 90522/90524, 99479/99481, 100593/100627, 122386/175822, 199299/199333, 1897921/1898926, 109740/109774.		
	The New Shorrocks Spg. & Mfg. Co. Ltd.	6000	-	407/426, 733/752, 801/2500, 6201/6300, 8901/10000, 23001/23060, 4701/6200, 57803/59302.	These shares were sold after 1-4-73	
	do	1923	-	201022/202768, 202959/203134.	These shares were received upon amalgamation of M.G. Investments Company 3/5 Coupons received were sold.	
33	The Standard Mills Co. Ltd.	37420	-	47974/47996, 1581/1586, 12301/13100, 21001/23700, 23778/23877, 33208/35807, 36808/37607, 40108/45137, 53268/53307, 48140/48165, 55440/55449, 52586/53131, 55710, 55711, 92067/98206, 87887/87898, 108825/103836, 107606/107617, 108873, 117890/130183, 110241/110260, 151573/151592, 148563/148582, 151875, 157115/163261, 153824/153833, 173447/173456, 172252/172261, 173592.		
					After 1-4-72 shares Certificates bearing new distinctive numbers were issued by The Standard Mills Co. Ltd. The present distinctive numbers are as under :	
					112227/112232, 122709/127738, 127739/128286, 128350/128375, 128426/134628, 141323/141334, 134641/134947, 138376/141275, 134629/134640, 134948/138135, 141276/141322, 141335, 138186/138295, 138346/138375, 156601/175600.	
34	The Standard Mills Co. Ltd.	49420	-	263581/291040, 323599/326558, 300103/319102.		
	do	12000	-	251/1550, 7801/12300, 19801/20000,		

SR. No.	Name of the Company	No. of shers Equity	held	Distinctive Nos.	Remarks Pref.
35	Standard Mills Co. Ltd.	-	7	16759/16760, 23963, 2043, 16761/17960, 35808/36807, 37608/40107, 17961/18560, 3751/3800, 23728/23777, 24014/24063, 19751/19800, 1551/1580, 3657/3666, 3687/3691, 13133, 3692/3750, 24064/24076, 23878/23955, 23701/23727, 19748/19750, 13101/13132, 233/250, 3667/3686, 18561/18760.	These Shares were sold after 01-04-1972
36	Sahyadri Dyestuffs & Chemicals Pvt. Ltd.	20000	-	1st Pref. 5250/5256 2nd Pref. 5249/5255 1/20000	These Shares were purchased after 01-04-1972
37	Sea-Face Park Co-operative Housing Society Ltd.	5	-	261/265	do
38	Modern Breach candy Apartments Co-operative Housing Society Ltd.	10	-	16/25	do
39	Industrial Credit and Investment Corporation of India Ltd.	20	-	6% Debentures 1984 8817	III/8798 to III/These Debentures were purchased after 1-4-72 and the same were sold after 1-4-73
40	IndustrialCredit and Investment Corporation of India Ltd.	20	-	6% Debentures 1985 IV/10237	IV/10218 to These Debentures were purchased after 1-4-72
(3)	Choses-In-Action as on 31st March, 1972 :				
	Outstanding Dividend and Interest on Investments				5557
	Sundry Debtors				4090949
	Balance with Scheduled Banks in Current Accounts				1524250
	Loans				15287605
	Advances recoverable in cash or in kind or for value to be received				2021326
	Balance with Central Excise Collectorate				125762
	Balance with Port Trust Authorities				4691
	Advance payment of taxes and tax deducted at source from dividend and interest				5808403

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 19 OF 1974

Connected with

COMPANY APPLICATION NO. 20 OF 1974.

In the matter of the Companies Act, 1956;

And

In the matter of Mafatlal Industries Limited,
incorporated under the Indian Companies Act, 1882
and having its Registered Office at
Asarwa Road, Ahmedabad-380 016.

Mafatlal Industries Limited, an existing Company as
defined in the Companies Act, 1956 and having its
Registered Office at Asarwa Road, Ahmedabad 380 016. Petitioner.

CORAM : B.K. MEHTA J.
(1st February, 1975)

ORDER ON PETITION

The above petition coming on for hearing on 20th day of January, 1975, AND UPON READING the said petition and the order dated 24th June, 1974, whereby the Petitioner Company was ordered to convene a meeting for the purpose of considering and if thought fit approving, with or without modification, the compromise or arrangement embodied in the scheme of amalgamation proposed to be made between Sahyadri Dyestuffs and Chemicals Limited and the Petitioner Company and annexed to the affidavit of Shri Bhalchandra K. Joshi filed on the 17th day of June, 1974, the Gujarat Government Gazette, dated 4th day of July, 1974 and the Times of India, Bombay Edition, dated 11th July, 1974, the Times of India, Ahmedabad Edition dated 4th July, 1974 and Gujarat Sarnachar, dated 4th July, 1974 each containing the advertisement of the said notices convening the said meeting directed to be held by the said order dated 24th day of June, 1974, the affidavit of Mr. S.D. Parekh, Chairman appointed for the said meeting filed on 6th day of August, 1974 showing the publication and despatch of the notices convening the said meeting the report of the Chairman of the said meeting dated 21st day of August, 1974, as to the result of the said meeting and it appearing from the report that the proposed compromise or arrangement embodied in the Scheme of Amalgamation has been approved by a majority of not less than three-fourth in value of members present and voting in person or by proxy at the said meeting AND UPON READING the affidavit of Shri Bhalchandra K. Joshi filed on 23rd day of August, 1974 AND UPON READING the affidavit of Shri Govind S. Soni, dated 1st November, 1974, showing the publication and despatch of the Notices of the said petition AND UPON READING the affidavit of Shri Bhalchandra K. Joshi dated 4th day of November, 1974 praying for the modification of the Scheme of amalgamation AND UPON READING the letter received from the Government of India dated 15th January, 1975 stating inter alia that the Central Government does not

want to oppose the petition and to make any representation AND UPON HEARING Mr. Ashok C. Gandhi, Advocate for the Petitioner Company THIS COURT, for the reasons recorded in the judgement dated 1st February, 1975, DOTH HEREBY SANCTION the Compromise or arrangement embodied in the scheme of Amalgamation set forth in Exhibit "E" to the petition subject to the modification that sub para 2 of para 4 of the said scheme be deleted, and which scheme is referred to in Schedule hereto and DOTH HEREBY DECLARE the same to be binding on the members of the Petitioner Company and also on the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that the parties to the compromise or arrangement or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the compromise or arrangement AND THIS COURT DOTH FURTHER ORDER that the said Company do file with the Registrar of Companies a certified copy of this order within 30 days from the date of the receipt of the certified copy of the said order AND THIS COURT DOTH LASTLY ORDER that there will be no order as to costs.

SCHEDULE

SCHEME OF AMALGAMATION

OF

SAHYADRI DYESTUFFS AND CHEMICALS LIMITED

a company registered under the Companies Act, 1956, and having its Registered Office at Mafatlal House, Backbay Reclamation, Bombay-400 020.

WITH

MAFATLAL INDUSTRIES LIMITED, a Company registered under the Indian Companies Act, 1882 and having its Registered Office at Asarwa Road, Ahmedabad-380 016.

1. The undertakings and all the properties, rights and powers of Sahyadri Dyestuffs and Chemicals Limited, (hereinafter called "the Transferor Company") be without further act or deed transferred to and made to vest in Mafatlal Industries Limited (hereinafter called "the Transferee Company") with effect from the 1st day of April, 1974 pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 for all the estates and interests of the Transferor Company therein subject nevertheless to the charges, if any, affecting the same.
2. All the liabilities, duties and obligations of the Transferor Company be also without further act or deed transferred to the Transferee Company with effect from the said 1st day of April 1974 pursuant to the provisions of the said Sections 391 to 394 of the Companies Act 1956 so as to become as from that day the liabilities duties and obligations of the Transferee Company.
3. All proceedings, if any, pending by or against the Transferor Company at the time of the transfer of the undertaking, property, rights and powers and liabilities, duties and obligations of the Transferor Company (hereinafter called "such transfer") be on such transfer continued by or against the Transferee Company.
4. The Transferee Company will, on such transfer take over all such employees, if any, of the transferor Company and as are willing to join the Transferee Company as far as possible on the same terms on which they are employed by the Transferor Company and their services with the Transferor Company so to be amalgamated with the Transferee Company prior to such taking over will not be treated as having, been broken for the purposes of the Provident Fund Rules or for Gratuity or for any other purposes but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company so to be amalgamated.

5. The amalgamation is of a wholly owned Subsidiary (Transferor) Company with its Holding (Transferee) Company. The Transferee Company holds the entire Share Capital of Rs. 20,00,000/- consisting of 20,000 Equity Shares of Rs. 100/- each fully paid of the Transferor Company which if hold by another, would have required allotment of proportionate shares in the Transferee Company. In view of this, on Amalgamation, no shares of the Transferee Company need to be allotted in respect of the said entire holding of 20,000 Equity Shares of the Transferor Company. Accordingly in order to give effect to the Scheme of Amalgamation, the Transferee Company is not required to issue any Equity Shares credited as fully paid-up against the said 20,000 Equity Shares of the Transferor Company.
6. The Transfer of the properties of the Transferor Company to the Transferee Company to be made under this Scheme when sanctioned by the High Courts at Bombay and at Gujarat on behalf of both the Companies shall take effect as from the 1st day of April, 1974 and until the completion of such transfer the Transferor Company shall stand possessed of the properties so to be transferred and shall carry on its business for and on behalf of and in trust for the Transferee Company and the Transferor Company shall account for and be entitled to be indemnified accordingly.
7. This Scheme of Amalgamation of the Transferor Company with the Transferee Company will be subject to such modifications as the High Courts at Bombay and at Gujarat while sanctioning such Amalgamation may direct. The Directors of the Transferor Company and of the Transferee Company may accept and assent to any modification of this Scheme or to any condition which either of the said High Courts may deem fit to impose.
8. This Scheme of Amalgamation between the Transferor Company and the Transferee Company shall become operative and effective as soon as but not before this Scheme is sanctioned by the High Courts at Bombay and at Gujarat under Section 391 of the Companies Act, 1956 both on behalf of the Transferor Company and its Shareholders and on behalf of the Transferee Company and its shareholders and necessary orders under Section 394 of the Companies Act, 1956 are obtained.
9. For the purpose of giving effect to this Scheme the Directors of the Transferee Company are authorised to give such directions as they may consider to be necessary or desirable and to settle any question or doubt or difficulty whatsoever, as they may think fit.

WITNESS B. J. DIVAN, ESQUIRE, Chief Justice at Ahmedabad aforesaid this 1st day of February one thousand nine hundred and seventy five.

By the order of the Court
Sd/- R. L. Dave, 5-3-75
Additional Registrar.
This 5th day of March, 1975
Sd/- M. H. Rana 5-3-75
SEALER
This 5th day of March, 1975
TRUE COPY
Sd/-
DEPUTY REGISTRAR
THE 6TH DAY OF MARCH,
1975

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 19 OF 1974

Connected with

COMPANY APPLICATION NO. 20 OF 1974.

In the matter of the Companies Act, 1956.

And

In the matter of Mafatlal Industries Limited,

incorporated under the Indian Companies Act, 1882

and having its Registered Office at

Asarwa Road, Ahmedabad-380 016.

Mafatlal Industries Limited, an existing Company as defined in the Companies Act, 1956 and having its Registered Office at Asarwa Road, Ahmedabad-380 016.....Petitioner

CORAM B. K. MEHTA J.

(1st February, 1975)

ORDER UNDER SECTION 394

Upon the above petition coming up for final hearing on 20th day of January, 1975, AND UPON READING the said petition and the order dated 24th June, 1974, whereby the Petitioner Company was ordered to convene a meeting of the Shareholders of the Petitioner Company for the purpose of considering and if thought fit, approving, with or modification, the compromise or arrangement embodied in the scheme of amalgamation proposed to be made between Sahyadri Dyestuffs and Chemicals Limited and the Petitioner Company and annexed to the affidavit of Shri Bhalchandra K. Joshi filed on the 17th day of June 1974, the Gujarat Government Gazette, dated the 4th day of July, 1974 and the Times of India, Bombay Edition, dated 11th July, 1974, the Times of India, Ahmedabad Edition, dated 4th day July, 1974 and Gujarat Samachar, dated 4th July, 1974 each containing the advertisement of the notices convening the said meeting directed to be held by the order dated 24th day of June, '74 the affidavit of Mr. S.D. Parekh, Chairman appointed for the said meeting filed on 6th day of August, 1974 showing the publication and despatch of the notices convening the said meeting the report of the Chairman of the said meeting dated 21st day of August, 1974, as to the result of the said meeting and it appearing from the report that the proposed compromise or arrangement embodied in the Scheme of Amalgamation has been approved by a majority of not less than three-fourth in value of the members present and voting in person or by proxy at the said meeting AND UPON READING the affidavit of Shri Bhalchandra K. Joshi filed on 23rd day of August, 1974 AND UPON READING the affidavit of Shri Govind S. Soni dated 1st November, 1974, showing the publication and despatch of the Notice of the said petition AND UPON READING the affidavit of Shri Bhalchandra K. Joshi dated 4th day of November, 1974, praying for the modification of the Scheme of amalgamation AND UPON READING the letter received from the Government of India dated 15th January, 1975, stating inter

alia that the Central Government does not want to oppose the petition and to make any representation AND UPON HEARING Mr. Ashok C. Gandhi, Advocate, for the Petitioner Company THIS COURT, for the reasons recorded in the judgement dated 1st February, 1975.

DO TH ORDER

1. That the undertakings and all the properties, rights and powers of Sahyadri Dyestuffs and Chemicals Limited (hereinafter called "the Transferor Company") be without further act or deed transferred to and made to vest in Mafatlal Industries Limited (hereinafter called "the Transferee Company") with effect from the 1st day of April, 1974 pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 for all the estates and interests of the Transferor Company therein subject nevertheless to the charges, if any, affecting the same.
2. That all the liabilities, duties and obligations of the Transferor Company be also without further act or deed transferred to the Transferee Company with effect from the said 1st day of April, 1974 pursuant to the provisions of the said Section 391 to 394 of the Companies Act, 1956 so as to become as from that day the liabilities, duties and obligations of the Transferee Company.
3. That all Proceedings, if any, pending by or against the Transferor Company at the time of the transfer of the undertakings, property, rights and powers and liabilities, duties and obligations of the Transferor Company (hereinafter called such transfer") be on such transfer continued by or against the Transferee Company.
4. That the Transfer of the properties of the Transferor Company to the Transferee Company to be made under this Scheme when sanctioned by the High Court at Bombay and at Gujarat on behalf of both the Companies shall take effect as from 1st day of April, 1974 and until the completion of such transfer the Transferor Company shall stand possessed of the properties so to be transferred and shall carry on its business for and on behalf of and in trust for the Transferee Company and the Transferor Company shall account for and be entitled to be indemnified accordingly.
5. That the Transferee Company do within 30 days from the date of the receipt of the certified copy of this Order, cause a copy of the order to be delivered to the Registrar of Companies, Gujarat for registration and on receipt of all documents relating to the Transferor Company from the Registrar of Companies, Maharashtra by the Registrar of Companies, Gujarat the files relating to the said two Companies shall be consolidated accordingly.
6. That for the purpose of giving effect to this Scheme the Directors of the Transferee Company are authorised to give such directions as they may consider to be necessary or desirable and to settle any question or doubt or difficulty whatsoever, as they may think fit.
7. That any person interested shall be at liberty to apply to the Court in the above matter for any direction that may be necessary.

SCHEDULE

PART-1

(Description of freehold property of the Transferor Company)

AT POONA

1. All that piece of parcel of land or ground situate at village Parvati in the City of Poona in the Taluka and Registration Sub-District of Haveli, District Poona bearing Survey No. 117 (AB) admeasuring about 8 (eight) Acres 11 Gunthas (3.349 Hectres) and bounded as follows that is to say : On or

towards the East by Survey No. 121; On or towards the West by Part of Survey No. 117; On or towards the North by Road to Singhgad; On or towards the South by Canal, together with all the Buildings, Sheds, Outhouses, godowns and other constructions or structures, Cranes and all fixed plant and machinery erected, built, attached, fixed or situated on the said lands or on parts thereof.

2. All that piece or parcel of land or ground situate at Village Parvati within the Municipal Limits of the City of Poona in the Taluka and Sub-Registration District of Haveli, District Poona, bearing Survey No. 115A/1 and admeasuring 3 (three) Acres (1.21 Hectares) and bounded as follows that is to say : On or towards the East by part of Survey No. 115 A/1 On or towards the West by Survey No. 115A/1 On or towards the North by River Muthai; On or towards the South by Road to Singhgad.
3. All that piece or parcel of land or ground situate at Village Parvati in the City of Poona in the Taluka and Registration Sub-District of Haveli, District Poona bearing Survey No. 110A admeasuring 5 (five) Acres (2.023 Hectares) and bounded as follows that is to say : On or towards the East by Survey No. 109; On or towards the West by Survey No. 122; On or towards the South by Pachagaon Boundary; On or towards the North by Survey No. 111.

AT BOMBAY:

Share Certificate in respect of 10 Shares of Rs. 50/- each bearing Distinctive Nos. 61 to 70 with a right to occupy Flat No. 9 B in the building known as "Vaibhav" of the Modern Breach Candy Apartments Co-operative Housing Society Ltd., situate at Bhulabhai Desai Road, bearing C. S. No. 1/697 of Malbar and Cumballa Hill Division and Municipal D-Ward No. 3539 (6A), Street No. 76.

PART - II

(Description of leasehold property of the Transferor Company)

AT POONA:

1. All the triangular piece or parcel of land or ground situate at Village Parvati within the Municipal Limits of the City of Poona in Taluka and Registration Sub-District Haveli, District Poona bearing Survey No. 115A/1 and admeasuring 2 (two) Acres (0.8092 Hectares) and bounded as follows : On or towards the East by Survey No. 118; On or towards the West by part of Survey No 115A/1; On or towards the North by River Mutha; On or towards the South by Road to Singhgad.

Lease rent of Rs. 2,400/- p.a. for a period of 50 years with an option to renew the lease for the further period of 25 years.

2. Original Lease for 50 years from 1-9-1961 on lease rent of Rs. 750/- per year A-11 that piece or parcel of land or ground situate at Village Hingana Khurd in the Taluka and Registration Sub-District of Haveli, District Poona bearing Survey No. 20 admeasuring about 8 (eight) Acres 33 Gunthas (3.569 Hectares) and Shed thereon bounded as follows that is to say : On or towards the East by Road; On or towards the West by River Mutha; On or towards the North by Survey No. 16 and on or towards the South by Survey No. 19.

Out of the above Acres 4 (four) and 16 Gunthas (1.781 Hectares) has been sub-leased to M/s. SPARC for 48 years 8 months from 1-1-1963 on a lease rent of Rs. 1,500/- per year bounded as follows. On or towards the East by Road; On or towards the West by River Mutha. On or towards the North by Survey No. 16 and On or towards the South by part of Survey No. 20.

PART-III

(Description of stocks, shares, debentures and other choses in action of the Transferor Company)

1.	GOVERNMENT SECURITIES	RS.
	12 Year National Defence Certificate of the face value of Rs. 9,000/-	9,000/-
	7 Year National Savings Certificate of the face value of Rs. 29,500/-	29,500/-

2. INVESTMENT IN SHARES AND DEBENTURES

Sr. No.	Name of the Company	No of Shares held Equity	Distinctive Nos.	Remarks
1.	Arlabs Limited	5	28880-28884	
2.	Indian Dyestuff Industries Limited	2175	265345- 265523, 249856-249862, 249863-249999, 24934, 53047, 215819, 57089-57091, 4070-4074, 40666, 13031, 46214, 62321, 130014, 35611, 213894, 6201, 17189, 18689, 5418, 24580-24584, 38896-38898, 73442, 125984 47826,50945-50949, 215820-215919, 240891-240940, 240541-240640, 299877-300000, 52885-52886, 8807, 240941-241040, 52878-52884, 52811-52815, 240656-240740, 52887- 52900, 57322-57347, 5301-5310, 265524-265683, 224230-224375, 224951-224966, 248663, 29637-29639, 14152-14153, 13367, 50731, 35913, 33486, 52854, 18865, 215920-216019, 56401-56500, 56201-56300 56501-56600, 56601-56700 240341-240440, 56101-56200,	

		240841-240890, 240441-240540, 269316, 22165, 84949-84952 23406-23415
3.	Universal Dayestuff Industries Limited	10
4.	Utramarine and Pigents Ltd.	10
5.	Morern Breach Candy Apartment Co- operative Housing Society Ltd.	10
		13276-13280, 25701-25705 61-70 (Re.: Ownership Flat in vaibhav)
3.	CHOSSES IN ACTION AS ON 31-03-1974	Rs.
1.	Sunday Debtors	54,64,912-00
2.	Balance in Post Office Savings bank Account and in Current Account with Scheduled bank	2,24,595-00
3.	Advance recoverable in cash or in kind or value to be received	20,54,998-00
4.	Advance payment of Income-tax and Tax deducted at source on dividends.	3,98,451-00
5.	Balance with Excise, Local Authorities etc.	55,206-00
6.	Deposits lying with various parties	63,663-00
		=====
	Total	82,61,825-00
		=====

WITNESS B. J. DIVAN, ESQUIRE, Chief Justice at Ahmedabad aforesaid this 1r day of February, One thousand nine hundred and seventy five

By the Order of the Court,
Sd/- A. L. DAVE, 5-3-75
Additional Registrar
This 5th day of March, 1975.
Sd/- M. H. RANA, 5-3-75
SEALER
This 5th day of March, 1975
TRUE COPY
Sd/-
DEPUTY REGISTRAR.
THE 6TH DAY OF MARCH, 1975.

Order drawn up by,
Sd/-
(Ashok C. Gandhi)
Advocate for the Petitioner

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO. 22 OF 1994

CONNECTED WITH

COMPANY APPLICATION NO 872 OF 1993

In the matter of Companies Act 1956

And

In the matter of Section 391 of the Companies Act, 1956

And

In the matter of Scheme of Amalgamation of The Mafatlal
Fine Spinning and Manufacturing Company Limited having
its Registered Office at Mafatlal Centre, Nariman Point,
Bombay 400021 with the Petitioners;

Mafatlal Industries Limited, an existing Company under.
the provisions of the Companies Act, 1956 and having its
Registered Office at Asarwa Road, Ahmedabad 380016..... PETITIONERS

Coram: S.D. Shah, J.

Dated: 14th November, 1994

ORDER ON PETITION

UPON the above Petition being called on for hearing and final disposal **AND UPON READING** the said Petition and the Affidavit of Mr. R. R. Patel dated the 8th day of February, 1994 verifying the said Petition **AND UPON READING** the Affidavit of Mr. R. R. Patel dated the 15th day of March, 1994 proving publication of the Notice of the Hearing of the Petition **AND UPON READING** the order dated the 22nd day of December, 1993 made by this Honorable Court in Company Application No.872 of 1993 whereby the Transferee Company was ordered to convene a meeting of the equity shareholders of the Transferee Company for the purpose of considering and, if thought fit, approving with or without modifications the arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company, the salient features of which are contained in the Affidavit of Mr.R.R. Patel in support of the said Company Application No.872 of 1993 **AND UPON PERUSING** the issues of "The Times of India", Ahmedabad and Bombay Edition dated the 29th day of December, 1993 and "Gujarat Samachar", Ahmedabad Edition dated the 29th day of December, 1993 both containing the advertisements of the Notice convening the said meeting directed to be held by the said order dated the 22nd day of December, 1993 **AND UPON READING** the affidavit of Mr. A.N. Mafatlal dated the 5th day of January, 1994 showing the publication and despatch of the Notices convening the said meeting to be held pursuant to the said order dated the 22nd day of December, 1993 **AND UPON READING** the Report dated the 1st day of February, 1994 of Mr. A.N. Mafatlal, the Chairman appointed for the said Meeting of the equity shareholders of the Transferee Company as to the result of the said meeting held on the 22nd day of January, 1994 and the Affidavit of the said Chairman Mr A N Mafatlal dated the 1st day of February, 1994 verifying the said Report **AND IT IS APPEARING** from the said Report of the Chairman of the said meeting of the equity shareholders of the Transferee Company that the proposed Scheme of Amalgamation has been approved by a majority of members present holding not less than 3/4th in value of the Equity Shares of the Transferee Company present and voting in person or by proxy **AND UPON HEARING** Mr. S.B. Vakil, Advocate with Mr. J.M.

Thakore, Advocate General, Mr. P.N. Kapadia, Mr. A.C. Gandhi, Advocates for the Transferee Company appearing in support of the said Petition and Mr Jayant Patel Additional Standing Counsel for the Central Government for the Regional Director Department of Company Affairs Ministry of Law Justice and Company Affairs, Government of India who appears pursuant to notice under Section 394 A of the Companies Act 1956 and submits to the orders of the Court **AND UPON HEARING** Mr. M J Thakore with Mr. D.M. Parikh Advocates for the objector Mr Miheer Hemant Mafatlal By the Judgement and order dated 14th November, 1,994 passed by His Lordship the Hon'ble Mr. Justice S. D. Shah, the objections raised by the said Objector were rejected and the prayers in the Petition herein were granted **AGAINST** which the said objector Mr. Miheer Hemant Mafatlal Preferred an Appeal being Appeal No. 16 of 1994 which Appeal was dismissed IW Their Lordships the Hon'ble Mr. Justice C. K. Thakkar and the Hon'ble Mr. Justice R. Balla by their Judgement and order dated 12th July, 1996, **AGAINST** which the said Objector Mr. Miheer H. Mafatlal preferred a Special Leave Petition being Special Leave Petition (Civil) No. 15279 of 1996., which was dismissed by Their Lordships the Hon'ble Mr. Justice N.P. Singh and the Hon'ble Mr. Justice S.B. Mazumdar, the Hon'ble Justices of The Supreme Court of India by their Judgement and Order dated 11th September, 1996, and after hearing Mr. B.R. Shah with Mr. M.J. Thakore, Sr. Advocate, with Mr. Darshan Parikh, Advocates for the Appellant and Mr.S.B. Vakil, Mr. Pradip Kapadia and Mr.A.C. Gandhi, Advocates appearing for the Transferee Company being Respondents in the said Appeal No.16 of 1994. **THIS COURT DOTH HEREBY SANCTION** the Arrangement embodied in the Scheme of Amalgamation of the Transferor company with the Transferee Company as set out in Exhibit-C to the Petition and in the First Schedule hereto.

AND THIS COURT DOTH HEREBY DECLARE the said Scheme of Amalgamation to be binding on all persons including all members of the Transferee Company and the Transferor Company. **AND THIS COURT DOTH FURTHER ORDER** that all debts., liabilities, duties and obligations of the Transferor Company be transferred to and do vest in the Transferee Company without any further act or deed with effect from 1st day of April, 1993 so as to become the debts, liabilities, duties and obligations of the Transferee Company.

AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do within 30 days of the sealing of this order, cause a certified copy of this order to be delivered to the Registrar of Companies, Gujarat, Ahmedabad for registration and one certified copy of this order be delivered to the Registrar of Companies, Maharashtra, Mumbai and on such certified copy of the order being so delivered the Transfer Company shall stand dissolved without winding up order **AND** the Registrar of Companies, Maharashtra, shall send all the files in his office pertaining to the Transferor Company to the Registrar of Companies, Gujarat, who shall place all files, documents and records relating to the Transferor Company on the files kept by him in relation to the Transferee Company and consolidate the files and documents of both the Transferor Company and the Transferee Company accordingly.

AND THIS COURT DOTH FURTHER ORDER that the parties to the Arrangement embodied or other person or persons shall be at liberty to apply to this Honorable Court for any directions that may be necessary for the purpose of carrying out the arrangement embodied in the said Scheme of Amalgamation.

AND THIS COURT DOTH LASTLY ORDER that the Transferee Company do pay a sum of Rs.5,000/- (Rupees Five Thousand only) to the Regional Director, Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India towards the costs of the said Petition.

SCHEDULE
SCHEME, OF AMALGAMATION
OF
THE MAFATLAL FINE SPG. & MFG. CO. LTD.,
a company having its Registered Office
at Mafatlat Centre, Nariman Point,
Bombay 400 021
WITH
MAFATLAL INDUSTRIES LIMITED
a company having its Registered Office .
at Asanrva Road, Ahmedabad 380 016

1. The undertakings and al/ the properties, rights, claims and powers of The Mafatlal Fine Spg. & Mfg. Co. Ltd. (hereinafter called "MF") be without further act Or deed transferred to and made to vest in Mafatlal Industries Ltd. (hereinafter called "MIL") with effect from 1st day of April, 1993 pursuant to the provisions of Section 391 to 394 of the Companies Act, 1956 together with all the estates and interests of MF therein but subject nevertheless to the charges, if any affecting the same.
2. All the liabilities, duties and obligations of MF be also without further act or deed transferred to MIL with effect from the said 1st day of April, 1993 pursuant to the provisions of the said Section 391 to 394 of the Companies Act, 1956 so as to become as from that day the liabilities, duties and obligations of MIL.
3. All proceedings, (legal and others, including any suits, appeals, revisions, petitions, arbitration, execution proceedings), if any, pending by or against MF at the time of such transfer be, on such transfer of MF continued by or against MIL.
4. All the employees of MF immediately preceding the last date referred to in Clause 11 hereinafter and as shall not have expressly in writing declined to be the employees of MIL shall on amalgamation of MF with MIL become the employees of MIL on the said terms on which they are employed by MF and their services with MF so to be amalgamated with MIL prior to such taking over will not be treated as having been broken for the purposes of the Provident Fund Rules or for gratuity or lor superannuation or for any other purposes but will be reckoned for all such purposes from the date of their respective appointments with MF so to be amalgamated.

Shri H.A. Mafatlal who is the Managing Director of MF shall on and after the amalgamation be the Managing Director, designated as "President" of MIL on the existing terms as to remuneration as increased by the Board of MF vide their Resolution dated 25th November, 1993 and other terms and with the powers as are contained in the existing agreement dated 8th June, 1989 between him and MF for the balance period of his existing appointment.

Shri P.R. Amin who is the Executive Vice President (Textiles) and Shri Prem Malik who is the Executive Vice-President (Marketing) of MF shall on and after the amalgamation be respectively the Executive Directors of MIL on the existing terms as to remuneration as increased by the Board of MF vide their Resolution dated 25th November, 1993 and other terms and powers as are contained in the existing agreements between MF and them dated 11th June, 1993 and 7th August, 1991 respectively, for the balance period of their existing appointments.

- 5 (a) The amalgamation of MF with MIL will be made on the basis that every member of MF shall in respect of every 5 ordinary shares in MF of Rs.100/- each held by him on the day when this Scheme becomes effective, be entitled as of right to an allotment to himself of 2 Equity shares in MIL of Rs.100/- each credited as fully paid-up and MIL shall, without any application, allot to such member in MF shares in MIL to which such member may become entitled.
- (b) MIL holds at present 12,06,914 ordinary Shares in MF. As MIL cannot make any allotment of shares to itself the said 12,06,914 shares in MF shall stand cancelled.
- (c) The Equity Shares to be so issued under this Scheme shall rank pari passu in all respects with the existing Equity Shares of MIL except as under.

Sr. No.	Particulars	MF shares	MIL shares to be issued on the scheme becoming effective	Ranking for dividend
(i)	Shares in MF other than those referred to in item Nos (ii) (iii) and (iv) here-under and held by share holders other than MIL	14,19,239 (excluding 1206 914 shares held by MIL in MF)	5,67,696	Shall rank for full dividend, if any, In respect of MIL 's accounting period beginning 1 st April 1993 and subsequent accounting years thereafter.
(ii)	Shares allotted by MF on 1st October, 1993 to financial institutions and banks in discharge of guarantee obligations of MF.	2,46,000	98,400	Shall rank for dividend, if any, only pro rata on a time basis as from MIL's accounting period beginning 1 st April, 1993 and fully in respect of subsequent accounting years thereafter.
(iii)	Shares to be issued by MF to financial institutions only on conversion of one lakh partly convertible debentures of the facevalue of Rs. 2,000/-, each to be issued to the Financial Institutions hereafter,	1,00,000	40,000	Shall rank for dividend, if any, only pro rata on a time basis as from the date of allotment by MF in respect of the accounting period of MIL in which such allotment of shares is made and fully in respect of subsequent accounting years.
(iv)	MIL shares to be issued on 1. 10. 1994 to, financial institutions and banks from against the balance 1,77,120 ordinary shares to be allotted, by MF in discharge of guarantee obligations of MF.	1,77,120	70,848	Shall rank for dividend, if any, only pro rata on a time basis as 1st October, 1994 in respect of MIL accounting period beginning 1st April 1994 and fully in respect of subsequent accounting years thereafter.

- (d) Any member of MF who holds such number of ordinary shares of MF in excess of a multiple of five or who holds in the aggregate less than five ordinary shares of MF resulting in his being entitled to less than one Equity Share of MIL he shall be entitled to receive appropriate number of fractional certificates representing one fifth of one equity share in MIL each MIL shall make provision for consolidation of such 1 fractional certificates into equity shares of Rs.100/- each in such manner as may be decided by the Board of MIL. In the alternative, if MIL's Board of Directors considers expedient, pro rata value in cash may be paid in respect of such fractional entitlement, by consolidating such fractions into whole equity shares and allotting them to any person/s as the Board of Directors of MIL may in their discretion select for the purpose of holding and selling such whole equity shares and distributing the net sale proceeds (after deducting all expenses of sale) pro rata to the persons entitled to such fractions.
- (e) MIL shall allot to the holders of Ordinary Shares of MF as of the date to be fixed by the Board of Directors of MIL on completion of the requisite formalities of Amalgamation 2 Equity Shares of MIL of Rs.100/- each credited as fully paid up in respect of 5 Ordinary Shares of Rs.100/- each held by such person in MF. This would result in an issue of 7,06,096 Equity Shares of Rs 100/- each by MIL as referred to above in Clause Nos 5(c)(i) (ii) and (iii) MIL shall also issue and allot 70,848 equity shares of Rs 100/— each credited as fully paid-up on 1st October, 1994 to the financial institutions and banks in the same ratio as referred above in Clause No. 5(c)(iv) being the number of equity shares corresponding to 1,77,120 ordinary shares of Rs 100/ each agreed to be issued by MF in discharge of its guarantee obligations
6. The excess of the value of the net assets of MF as appearing in the Books of Accounts of MF over the paid-up value of the shares of MIL to be issued and allotted pursuant to Clause 5 above, shall be accounted for and dealt with in the books of MIL as under:-
- The amounts standing to the credit of the Debenture Redemption Reserve, Investment Allowance (Utilised) Reserve and The Export Profit Reserve accounts in the books of MF on the 1st of April, 1993 shall be credited respectively to the Debenture Redemption Reserve, The Investment Allowance (Utilised) Reserve and The Export Profit Reserve accounts in the books of MIL and balance, if any, shall be transferred to the Share Premium Account of MIL.
7. Subject as hereinafter provided, MF shall not distribute any dividends on its Ordinary Shares in respect of accounting year 1993-94 and subsequent years during which the Scheme has not become effective.
- MIL will when declaring dividends on its Equity Shares for the financial year commencing 1.4.1993 and subsequent financial years keep a provision for dividend at the same rate in respect of shares to be allotted under the present 'scheme as' provided in para 5 above and such dividend on such shares shall be deemed to be declared and payable if and when this Scheme becomes effective.
8. On a majority in number representing three fourths in value of the respective members of MF and of MIL present either in person or by proxy at their respective Meetings to which this Scheme shall be submitted pursuant to the directions to be given by the respective High Courts as required by Section 391 of the Companies Act, 1956 agreeing, to this Scheme, MF and MIL shall proceed with reasonable despatch with the necessary applications to be made by them to the respective High Courts for sanctioning this Scheme of Amalgamation under the said Section 391 of the Companies Act, 1956 and for the purpose of obtaining an Order or Orders under Section 394 of the Companies Act, 1956 for carrying into effect the Scheme of Amalgamation as between MF and MIL and for dissolution of MF without winding up.

9. The Transfer of properties of MF to MIL to be made under this scheme when sanctioned by the respective High Courts on behalf of both the Companies shall take effect as from the 1st day of April, 1993 and until the completion of such transfer, MF shall stand possessed of the properties so to be transferred and shall carry on its business for and on behalf of and in trust for MIL, and MF shall account for and be entitled to be indemnified accordingly.
10. This Scheme of Amalgamation of MF With MIL will be subject to such modifications as the High Court of Judicature at Bombay and High Court of Gujarat while sanctioning, such amalgamation may direct. The Directors of MF and of MIL may accept and assent to any modification of this Scheme or to any condition which either Court may deem fit to impose.
11. This Scheme of Amalgamation between MF and MIL shall become operative and take effect as soon as but not before all necessary resolutions shall have been passed by MIL for issuing any share capital required for the purpose of carrying into effect the amalgamation of MF with MIL and this Scheme is sanctioned by the said respective High Courts under Section 391 of the Companies Act, 1956 and necessary Orders under Section 394 of the Companies Act, 1956 are obtained and filed with the Registrars of Companies for Gujarat and Maharashtra, whichever date is the last.
12. For the purpose of giving effect to this Scheme of Amalgamation the Directors of MIL are authorised to give such directions as they may consider to be necessary or desirable and to settle any question or doubt or difficulty whatsoever including any question or doubt or difficulty that may arise with regard to the issue and allotment of the said shares as they may think fit.

WITNESS BHUPINDER NATH KIRPAL, ESO.
the Chief Justice of Gujarat,
aforesaid this 14th day of November 1994.

By the Court
Sd/- D. B. DHOLAKIA
Joint Registrar 1
This 13th day of Sept. 1996

Sd/— K. A. MEHTA
Sealer
This 13th day of Sept 1996

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORIGINAL JURISDICTION

COMPANY PETITION NO 22 OF 1994

CONNECTED WITH

COMPANY APPLICATION NO. 872 OF 1993

In the matter of Companies Act, 1956

And

In the matter of Section 391 of the Companies Act, 1956

And

In the matter of Scheme of Amalgamation of The Mafatlal
Fine Spinning and Manufacturing Company Limited -having
its Registered Office at Mafatlal Centre, Nariman Point,
Bombay 400021 with the Petitioner

Mafatlal Industries Limited, an existing Company under the
provisions of the Companies Act, 1956 and having its
Registered Office at Asarwa Road, Ahmedabad-380 016.....Petitioner

CORAM S. D. SHAH J.

(14th November 1994)

ORDER UNDER SECTION 394

UPON the said Petition and the Affidavit of Mr R R Patel dated the 8th day of February, 1994 verifying the said Petition **AND UPON READING** the Affidavit of Mr.R.R. Patel dated the 15th day to March, 1994 proving publication of the Notice of the Hearing of the Petition **AND UPON READING** the order dated the 22nd day of December, 1993 made by this Honorable Court in Company Application No 872 of 1993 whereby the Transferee Company was ordered to convene a meeting of the equity shareholders of the Transferee Company for the purpose of considering and if thought fit approving with or without modifications the arrangement embodied in the Scheme of Amalgamation of the Transferor Company With the Transferee Company, the salient features of which are contained in the Affidavit of Mr.R.R. Patel in support of the said Company Application No.872 of 1993 **AND UPON PERUSING** the issues of "The Times of India", Ahmedabad and Bombay Edition dated the 29th day of December, 1993 and "Gujarat Samachar" Ahmedabad Edition dt. 29th day of December, 1993 both containing the advertisements of the Notice convening the said meeting directed to be held by the said Order dated the 22nd day of December, 1993 **AND UPON READING** the affidavit of Mr. A.N. Mafatlal dated the 5th day of January, 1994 showing the publication and despatch of the Notices convening the said meeting to be held pursuant to the said order dated the 22nd day of December, 1993 **AND UPON READING** the Report dated the 1st day of February, 1994 of Mr.A.N. Mafatlal, the Chairman appointed for the said Meeting of the equity shareholders of the Transferee Company as to the result of the said meeting held on the 22nd day of January, 1994 and the Affidavit of the said Chairman Mr.A.N. Mafatlal dated the 1st day of February, 1994 verifying the said Report **AND IT APPEARING** from the said Report of the Chairman of the said meeting to the equity shareholders of the Transferee Company that the proposed Scheme of Amalgamation has been approved by a majority of members present holding not less than 3/4th in value of the Equity Shares of the Transferee Company Present and voting in person or

by proxy **AND UPON HEARING** Mr. S B Vakil Advocate with Mr. J M Thakore Advocate General Mr. P.N. Kapadia Mr. A C Gandhi Advocates for the Transferee Company appearing in support of the said Petition and Mr. Jayant Patel, Additional Standing Counsel for the Central Government for the Regional Director Department of Company Affairs Ministry of Law Justice and Company Affairs, Government of India, who appears pursuant to notice under Section 394-A of the Companies Act, 1956 and submits to the orders of the Court **AND UPON HEARING** Mr. M.J.Thakore with; Mr. D.M. Parih Advocates for the Objector Mr. Miheer Hemant. Mafatlal By the Judgement and order dated 14th November, 1994 passed by His Lordship the Hon'ble Mr. Justice S D Shah the objections raised by the said objector were rejected and the prayers in the Petition herein were granted Against which the said objector Mr. Miheer Hemant Mafatlal preferred an Appeal being Appeal No 16 of 1994 which Appeal was dismissed by Their Lordships the Hon'ble Mr. Justice C. K. Thakkar Hon'ble Mr. Justice R. Balia by then Judgement and order dated 12th July, 1996, Against which the said Objector Mr. Miheer H. Mafatlal Preferred a Special Leave Petition being Special Leave Petition (Civil) No 15279 of 1996, which was dismissed by Their Lordships the Hon'ble Mr. Justice N.P Singh and the Hon'ble Mr. Justice S.B, Mazumbar, the Hon'ble Justices of The Supreme Court of India by their Judgement and order dated 11th September, 1996 and after hearing Mr. B.R. Shah with Mr. M.J. Thakore, Sr. Advocate, with Mr. Darshan Parikh, Advocates for the Appellant and Mr. S.B. Vakil, Mr. Pradip Kapadia and Mr. A.C. Gandhi, Advocates appearing for the Transferee Company being Respondents in the said Appeal No 16 of 1994. **THIS COURT DOETH HEREBY SANCTION** the Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with the Transferee Company as set out in Exhibit-C to the Petition and in the First Schedule hereto **AND THIS COURT DOETH HEREBY DECLARE** the said Scheme of Amalgamation to be binding on all persons including all members of the Transferee Company and the Transferor Company.

AND THIS COURT DOETH FURTHER ORDER that the entire Undertaking of the Transferor Company including all its properties both moveable and immovable, tangible and intangible, all trade marks and other intellectual property rights and all rights, claims and powers including those specified in the first, second and third part of the Second Schedule hereto be transferred to and do vest in the Transferee Company without any further act or deed with effect from 1st day of April, 1993 **AND THIS COURT DOETH FURTHER ORDER** that all debts, liabilities, duties and obligations of the Transferor Company be transferred to and do vest in the Transferee Company without any further act or deed with effect from 1st day of April, 1993 so as to become the debts, liabilities, duties and obligations of the Transferee Company; **AND THIS COURT DOETH FURTHER ORDER** that all contracts, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect without any further concurrence of any other party or parties thereto, shall remain in full force and effect against or in favour of the Transferee Company as the case may be and can be enforced as fully and effectively as if in place of the Transferor Company, the Transferee Company had been a party thereto;

AND THIS COURT DOETH FURTHER ORDER that all proceedings now pending by or against the Transferor Company shall be continued and enforced by or against the Transferee Company; **AND THIS COURT DOETH FURTHER ORDER** that the Transferee Company shall without further act or application issue and allot shares in the Transferor Company to the members of the Transferor Company in terms of the said Scheme of Amalgamation i.e. two Equity Shares of Rs 100/ each of the Transferee Company credited as fully paid—up for every five Equity Shares of Rs 100/ each fully paid—up held by him/them in the Transferor Company on such date after the Effective Date as the Board of Directors of the transferee Company may determine **AND THIS COURT DOETH FURTHER ORDER** that the Transferee Company do within 30 days of the sealing of this order, cause certified copy of this order to be delivered to the Registrar of Companies, Gujarat Ahmedabad for registration and one certified copy of this order be delivered to the Registrar of Companies, Maharashtra, Mumbai and on such certified copy of the order being so delivered the Transferor Company shall stand dissolved without winding up order **AND** the Registrar of Companies, Maharashtra, shall send all the files in his office pertaining to the Transferor Company to the Registrar of Companies, Gujarat;

who shall place all files, documents and records relating to the Transferor Company on the files kept by him in relation to the Transferee Company and consolidate the files and documents of both the Transferor Company and the Transferee Company accordingly; **AND THIS COURT DOTH FURTHER ORDER** that the parties to the Arrangement embodied or other person or persons shall be at liberty to apply to this Honourable Court for any directions that may be necessary for the purpose of carrying out the arrangement embodied in the said Scheme of Amalgamation **AND THIS COURT DOTH LASTLY ORDER** that the Transferee Company do pay a sum of Rs.5,000/- (Rupees Five Thousand only) to the Regional Director, Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Government of India towards the costs of the said Petition.

SCHEDULE

PART-I

SHORT DESCRIPTION OF FREEHOLD PROPERTIES

OF THE TRANSFEROR COMPANY

1. All those pieces of parcels of land formed out of old Survey Numbers 329, 330, 331, 32, 36(p), 520, 521, 521/1, 522 523, 524, 525 526 527 528/4 and now forming one composite block bearing one survey No.329 admeasuring 41 acres 20 Gunthas equivalent to 180108 sq mtrs and Survey Nos 287 and 288/1 1 Vigha and 7 Vasa equivalent to 3201 square meters in Navsari, Taluka Navsari, District Bulsar in the-State of Gujarat together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth.

All those pieces or parcels of land formed but of old Survey Numbers 226/3 226/11, 226/13, 226/2, 226/8 226/10, 226/1, 226/4, 226/6,.226/7 and 226 and now forming one composite block bearing one survey No.226/1 -2-3-4-5-6-7-8-9-1 0-11-13 admeasuring A-24-6 gunthas equivalent to 97,930 sq. mtrs. in Jalalpore, Vejalpur Road Taluka Navsari District Bulsar in the State of Gujarat together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything to attach to the earth.

All those pieces or parcels of land formed out of Survey Numbers 270/3, 270/4,271/1, 271/4, 272/ 1 426,427 paiki 433k 434 and 435 admeasuring 9 acres 19 gunthas equivalent to 37,542 sq mtrs at Purneshwar and Ghela Khadi, Taluka Navsari, District Bulsar in the State of Gujarat together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth

- 2 All those pieces or parcels of lands hereditaments premises buildings and structures already erected and to be erected thereon relating to Unit No 3 of the Textiles Division situate at N M Joshi Marg Lower Parel Bombay 400013, Maharashtra. State admeasuring 20,869 sq.meters bearing Survey No.166, together with all buildings and structures thereon and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth.

- 3 The Company's Lands Hereditaments And Premises Relating to the Chemical Unit Viz. Navin Fluorine Industries, Bhestan Dist, Surat, Gujaràt State.

All those several pieces or parcels of land now forming one Composite Plot together with the factory and other buildings and structure already erected and to be erected thereon situate in, the village of Bhestan, ,Taluka Choryasi District Surat Gujarat State bearing the following survey Nos and areas

		Area				Area	
Survey No:	Acres	Gun	Anna	Survey No:	Acres	Gun	Anna
2	2	24	8	46	2	8	0
4	1	32	0	47	1	26	0
6	4	0	0	48	1	19	0
7	3	26	0	50	7	14	0
8	3	6	0	51	4	27	0
9	4	10	0	52	7	34	0
10	2	7	0	53	5	39	0
13	0	25	0	54/1	2	31	0
14/3	2	0	0	54/2	3	9	0
19	4	33	0	56/1	2	39	0
21	2	23	0	58	14	11	0
22	3	4	0	58	19	0	0
23	10	27	0	35	2	16	4
25	4	11	0	12	1	13	0
26	2	34	0	14/1	2	8	0
27	1	28	0	14/2	2	12	0
28	5	5	0	25/2	1	11	0
29	4	29	0	24	2	30	0
30	1	32	0	31	3	30	1
32	0	30	5	20	13	0	0
30	4	4	0	44	3	26	1
33	7	7	0	45	3	34	0
34	14	14	0	57	7	21	0
36	21	21	0	5	1	19	0
37	15	15	0	49	13	8	0
38	21	21	0	43	3	32	2
40	8	8	0	55	16	33	4
41	13	13	26	56/2	0	26	0
42	23	23	0				
				TOTAL	246	29	10

Equivalent to 9,84,357 sq. mtrs.

And which said pieces of land form one composite block bounded on or towards North by the property of Hansa Tools in Shri Ram Estate and Asian Machinery and on or towards South by RW.D. lands, on or towards West by Surat Navsari Road and on or towards East by Western Railway.

Name and address of the Society, Flats 8, Garages therein :

Flat No.11, Everest Bldg., Mount Everest Co.Op. Hsg.society Ltd., Pedder Road, Bombay 400026 and in respect of which the Society has issued Share Certificate No.18 dt. 27.5.77 for 5 shares bearing Dist. No. 86 to 90 each of Rs.50/-.

Flat No.54, Garage No.20, Mount Everest Co.Op. Hsg. Society Ltd., Pedder Road, Bombay 400026 and in respect of which the Society has issued Share Certificate No.48 dt. 23:10.70, for 5 shares bearing Dist. No. 236 to 240 each of Rs.50/-.

A/8, Sterling Apartments Pedder Road, Bombay 400026 and in respect of which the Society has issued Share Certificate No.33 dt. 5.3.69 for 5 shares-bearing Dist. Nos. 161 to 165 each of Rs.50/-.

A/1, Kanti Apartments, Bandra (West), Bombay 400050 and in respect of which the Society has issued Share Certificate No.29 dt. 3.3.86.

602, Luv Apartments, Hill Sea Co.Op.Hsg. Soc. Ltd., Veera Desai Road, Andheri (West), Bombay 400058.

601/602, Brook Field Co.Op. Hsg. Soc. Ltd.,Andheri (West) Bombay 400 058 and in respect of which the Society has issued Share Certificate No.21 & 22 dt. 8.11.86 for 10 shares bearing Dist. No.BF101 to 105 and BF 106 to 110 each of RS.50/-

Flat No.604/A.B. Brighten Towers Co.Op. Hsg. Soc. Ltd., Lokhandwala Complex, Andheri West), Bombay 400058.

Flat No. 604/1, Sea Crest Co.Op. Hsg.Soc..Ltd., Seven Bungalow, Andheri, Bombay 400 061 and in respect of which the Society has issued Share Certificate No.38 dt. 1.8.76 for 5 shares bearing Dist. No. 186 to 190 each of Rs. 50/-.

Flat No.23, Garage No.2 Shreyas Co.Op.Hsg. Soc. Ltd., 180, Madame Cama Road, C52, Bombay 400 020 and in respect of which the society has issued Share Certificate No.28 to 33 dt. 31.12.90 for 60 shares bearing Dist. No. 271 to 330 each of Rs.50/-

PART II

SHORT DESCRIPTION OF LEASEHOLD PROPERTIES

OF THE TRANSFEROR COMPANY

- 1 All that piece to leasehold and situate at the junction of Ghorapdev Road (now known as Rambhau Bhogale Marg) and Cannought Road near Tank Bunder with the City and Registration Sub-District of Bombay containing by admeasurement thirteen thousand three hundred thirty eight square yards (13,338 sq yards) or thereabouts and bounded as follows that is to say on or towards the North by Connaught Road on or towards the East by Ghorapdev Road on or towards the South partly by the property bearing New Sunrey No 3643 in the occupation of the lessee and partly by the Victoria Gardens and on or towards the West by Victoria Gardens and which said premises are registered on the Books of the Collector of Bombay under Collectors Last Rent Roll No 1/11790 Collectors Rent Roll No 8283 Laughton s Survey No 3/3628 and Cadastral Survey No 593 (part) of the Mazagaon Division are assessed by the Municipality of Bombay with other properties under part Nos E.8102/8104(I A) Street Nos 8 10 14 16 20 and 22 Ghorapdeo Road (13 338 sq yards = 1115226 meters)
- 2 All that piece of leasehold land situate at the North side of the Victoria Road and West side of Mount Road and Ghorapdev Road (now known as Rambhau Bhogale Marg) with the City and Registration Sub District of Bombay Containing by admeasurement Seventy thousand seven hundred ten decimal point seventy three square yards (7071073 sq yards) or thereabouts and bounded as follows that is to say on or towards the North by the property bearing New Survey No 3/3628 in

the occupation of the lessee on or towards the East partly by the Mount Road and partly by Ghorapdev Road on or towards the South by Victoria Road and on or towards the west by the Victoria Cross Lane and which said premises are assessed by the Collector of Bombay under Collectors Last Rent Roll NO 16339 Collectors Last Rent Roll No 7974 Laughton s Survey No 3643 and bears Cadastral Sunrey No 592 593 (pan) of the Mazagaon Division (70710 73 sq. yards = 59123.19 sq. metres)

- 3 All that piece or parcel of leasehold land situate near Delisle Road (now known as N M Joshi Marg) within the Town and Registration Sub District of Bombay containing by admeasurement Nine thousand five hundred ninety four square yards (9,594 sq yds.) or thereabouts and bounded as follows that is to say on or towards the North by the property formerly of Kharsetji Rustomji Cama and Jiwaji Dinshaw Gandhi but now of the Lease Bearing New Survey No 2682 2683 2684 2685 on or towards the East partly by the property of Bai Jamunabai bearing New Survey No 2687 and partly by property of Karim Tar Mohd Bawa Bearing New Survey No 12607 on or towards the South by watercourse or drain and on or towards the West by the Bombay Baroda and Central india Railway now Western Railway) which said premises bear collectors Last Rent Roll No 17092 Collectors 8193 Collectors New No 17092 Laughton's Survey No 2686 Cadastral Survey. No..Part 166 of Lower Parel Division (9,594 sq. yards = 8,021.80 sq metres)

PART III

SHORT DESCRIPTION OF STOCKS, SHARES AND DEBENTURES

OF THE TRANSFEROR COMPANY

1. **GOVERNMENT SECURITIES**

- (a) 3% Conversion Loan 1946/1986
- (b) 5 1/2% Government Loan 1995
- (c) 5 3/4% Government Loan 2001
- (d) 12 years National Defence Certificate
- (e) 7 years National Saving Certificate

2. **INVESTMENTS IN SHARES, DEBENTURES, BONDS & OTHERS:**

Sr.No. Name of the Company.

- 1. Shares of Mafatlal Engg. Industries Ltd.
- 2. Shares of New Piece Goods Bazar Company
- 3. Shares of Mafatlal Services Ltd.
- 4. Shares of Mafatlal Ltd., U.K.
- 5. Shares of Matcon Export Enter Ltd.
- 6. Shares of Cebon Apparel Ltd.
- 7. Shares of Alu Fluorides Ltd.
- 8. Shares of Housing Development Finance Corporation Ltd.

9. Shares of National Organic Chemical Industries Ltd.
10. Units of Unit Trust of India
11. Bonds of State Bank of India

WITNESS BHUPINDER NATH KIRPAL ESQ. the Chief Justice of Gujarat, aforesaid this 14th day of November, 1994.

By the Court

Sd/- D. B. DHOLAKIA

Joint Registrar

This 13th day of Sept. 1996

Sd/- K. A. MEHTA

Sealer

This 13th day of Sept., 1996

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORDINARY ORIGINAL JURISDICTION

COMPANY PETITION NO.30 OF 2013

connected with

COMPANY APPLICATION NO. 375 OF 2012

In the matter of the Companies Act, 1956;

AND

In the matter of Sections 391 to 394 read with Sections 78 and 100 to 104 of the Companies Act, 1956;

AND

In the matter of Mafatlal Industries Limited, a Company incorporated under the Act No. VI of 1882 of the Legislative Council of India and having its registered office at Asarwa Road, Ahmedabad – 380 016, Gujarat;

AND

In the matter of Scheme of Arrangement and Amalgamation of Mishapar Investments Limited and Mafatlal Denim Limited with Mafatlal Industries Limited.

Mafatlal Industries Limited,

a company incorporated under the provisions of Act No. VI of 1882 of the Legislative Council of India and having its Registered Office at Asarwa Road, Ahmedabad – 380 016, Gujarat.

..... **Petitioner Company**

BEFORE THE HON'BLE MR. JUSTICE R.M.CHHAYA

DATE: 8/4/2013

ORDER ON PETITION

The above Petition coming for hearing on 8th day of April, 2013, **UPON READING** the said Petition, the order dated 21st day of December, 2012 and order dated 10th day of January 2013 below Speaking to Minutes in Company Application No. 375 of 2012, whereby meeting of the Equity Shareholders of Mafatlal Industries Limited, the Petitioner abovenamed (hereinafter referred to as "the said Company") was ordered to be convened and held for the purpose of considering, and if thought fit, approving, with or without modification, the arrangement embodied in the Scheme of Arrangement and Amalgamation of Mishapar Investments Limited and Mafatlal Denim Limited with Mafatlal Industries Limited ("the said Scheme") and **UPON** reading

the order dated 21st day of December 2012 whereby meetings of the Sole Preference Shareholder and Sole Secured Creditor were dispensed with in view of the consents and approvals to the Scheme received from Sole Preference Shareholder and Sole Secured Creditor of the Company and **UPON** reading the order dated 21st day of December 2012 whereby meeting of the Unsecured Creditors was dispensed with in light of the fact that the rights and interest of the Unsecured Creditors are not affected by the Scheme and **UPON** reading the order dated 21st day of December 2012 whereby it was held that no separate procedure is required to be followed for reduction of Share Capital in the form of utilization of Securities Premium Account as the same was part and parcel of the Scheme and **UPON** reading the Affidavit of Shri Hrishikesh A. Mafatlal dated 7th day of January 2013, annexing the newspaper cuttings of English daily, Indian Express, Ahmedabad Edition and Gujarati daily, Sandesh, Ahmedabad Edition both dated the 3rd day of January 2013 (advertisement in the Gujarat Government Gazette having been dispensed with) and also showing the dispatch of the notice convening the said meeting on 31st day of December 2012 and 1st day of January 2013 by ordinary post to the Equity Shareholders and **UPON** reading the Chairman's Report of Shri Hrishikesh A. Mafatlal dated 6th day of February 2013 stating that the said Scheme has been approved with requisite statutory majority in the meeting of the Equity Share holders held on 1st day of February, 2013 and **UPON** reading the Affidavit of Shri Ramakant Patel, Company Secretary of the said Company, dated the 7th day of February 2013, verifying the Petition and **UPON** reading the Affidavit of Shri Ramakant Patel, dated 24th day of February 2013 showing publication of the notice of hearing of this Petition in English daily, Indian Express, Ahmedabad Edition and Gujarati daily, Sandesh, Ahmedabad Edition both dated the 16th day of February 2013, (advertisement in the Gujarat Government Gazette having been dispensed with) and also showing the service of notice on the Regional Director, Ministry of Corporate Affairs and **UPON** reading the Affidavit of the Regional Director, dated 22nd day of March, 2013 raising three observations with regard to the said Company and **UPON** reading the Affidavit of Shri Ramakant Patel, dated 28th day of March 2013 and 8th day of April, 2013 in response to the observations made by the Regional Director and **UPON** hearing Shri Sandeep Singhi for Singhi & Co., and Shri Apurva Vakil, for the said Company and hearing the submissions of Shri Iqbal Shaikh instructed by the Regional Director, Ahmedabad.

1. THIS COURT doth hereby sanction the Scheme at **Annexure 'G'** to the Petition and annexed as Schedule hereto, and doth hereby declare the same be binding on the said Company and all the Equity Shareholders and Creditors of the said Company and all persons concerned under the Scheme.
2. That the said Company do within 30 days of the sealing of this order, cause a certified copy of this order to be delivered to the Registrar of Companies, Gujarat, Ahmedabad for registration.
3. That the parties to the said Scheme or other persons interested shall be at liberty to apply to this Court for any directions that may be necessary in regard to the working of the arrangement embodied in the Scheme, as sanctioned hereunder and annexed as Schedule hereto.
4. That the fees of Rs.7,500/- of Mr. Iqbal Shaikh, appearing for the Regional Director, Ministry of Corporate Affairs, Ahmedabad shall be paid by the said Company.

SCHEME OF ARRANGEMENT AND AMALGAMATION
OF
MISHAPAR INVESTMENTS LIMITED
AND
MAFATLAL DENIM LIMITED
WITH
MAFATLAL INDUSTRIES LIMITED

UNDER SECTIONS 391 TO 394 READ WITH SECTION 78, 100 TO 103 OF THE COMPANIES ACT, 1956

1. DEFINITIONS

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

- 1.1 **“Act”** means the Companies Act, 1956 and shall include any statutory modifications, re-enactment thereof for the time being in force.
- 1.2 **“Appointed Date”** means 1st day of April, 2012 or such other date as may be approved by the Hon’ble High Courts.
- 1.3 **“Effective Date”** means the last date of the dates on which the certified copies of the Order of the Hon’ble High Court of Judicature at Bombay and the Hon’ble High Court of Gujarat sanctioning the Scheme and vesting the assets, properties, liabilities, rights, duties, obligations and the Transferor Companies in the Transferee Company is filed with the Registrar of Companies at Mumbai and Ahmedabad respectively after obtaining the consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary therefor.
- 1.4 **“High Court” or “the High Court(s)”** means either the Hon’ble High Court of Judicature at Bombay or the Hon’ble High Court of Gujarat or both of these High Courts, as the case may be.
- 1.5 **“New Equity Shares”** shall have the meaning assigned to it in Clause 13.2.
- 1.6 **“Record Date”** means a date to be fixed by the Board of Directors of Transferee Company or a committee thereof for the purpose of determining the members of the Transferor Company no. 2 to whom shares will be allotted pursuant to this Scheme, upon the Scheme becoming effective.
- 1.7 **“Scheme” or “the Scheme” or “this Scheme”** means this Scheme of Arrangement and Amalgamation in its present form or with any modification(s) made under Clause 14 of this Scheme as approved or directed by the Hon’ble High Court at Bombay and/or the Hon’ble High Court of Gujarat or any other appropriate authority.
- 1.8 **“Share Exchange Ratio”** means the ratio in which equity shares of the Transferee Company are to be issued and allotted to the shareholders of the Transferor Company no. 2 under Clause 13.
- 1.9 **“Transferor Company no. 1” or “Mishapar”** means Mishapar Investments Limited, a company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Mafatlal House, H. T. Parekh Marg, Backbay Reclamation, Mumbai -400 020.

- 1.10 **“Transferor Company no. 2” or “Mafatlal Denim”** means Mafatlal Denim Limited, a company incorporated under the provisions of the Companies Act, 1956 having its Registered Office at Vejalpore Road, Navsari 396 445.
- 1.11 **“Transferee Company” or “MIL”** means Mafatlal Industries Limited, a company incorporated under the provisions of the Indian Companies Act, 1882 having its Registered Office at Asarwa Road, Ahmedabad 380016.
- 1.12 **“Transferor Companies”** means
- i) “Mishapar Investments Limited” (Transferor Company no. 1); and
 - ii) “Mafatlal Denim Limited” (Transferor Company no. 2)
- 1.13 **“Undertaking”** in relation to each of the Transferor Company, shall mean the whole of the undertaking and entire business of each of the Transferor Company on a going concern basis, including (without limitation):
- i) All the businesses, properties, assets and liabilities of whatsoever kind and wheresoever situated as on Appointed date;
 - ii) Without prejudice to the generality of the foregoing clause, the Undertaking of each of the Transferor Company shall include all rights, powers, authorities, privileges, liberties and properties and assets (whether moveable or immovable, freehold or leasehold, tangible or intangible, real or personal, corporeal or incorporeal, present or contingent) of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and / or in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies such as Industrial and other licenses, permits, quotas, approvals, import entitlements, excise license and registrations, lease, tenancy rights in relation to office and residential and other properties, permissions, investments of all kinds (including shares, stocks, bonds, debenture stocks, units) and other securities, buildings, plant and machinery, office equipment, vehicles, software and software licences, computer systems and its accessories, inventories / stock-in-hand, recoverable, cash and bank balances, loans and advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and / or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other asset, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, facsimile, email, internet, leased line connections and installations, utilities, including electricity, water, gas, and other such connections / allotments, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title, interest, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Companies or in connection with or relating to the Transferor Companies and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Companies, whether in India or abroad.

- iii) All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Companies or every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized.
- iv) All agreements, rights, contracts, entitlements, permits, licenses, approvals, authorizations, concessions, consents, quotas, rights, fuel linkages, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Companies business activities and operations.
- v) All intellectual property rights, records, files, papers, computer programmes, materials, data, catalogue, sales material, lists of customers and suppliers, other customer information and all other records and documents relating to the Transferor Company's business activities and operations.

1.14 **“Undertakings”** means undertaking of both the Transferor Companies.

2. **Operative Date**

This Scheme, although effective from the Appointed Date, shall become operative from the Effective Date. Any references in this Scheme to “upon this Scheme becoming effective” or “upon coming into effect of this Scheme” or “upon the Scheme coming into effect” shall mean the Effective Date.

3. **Share Capital**

- a) The Authorized, Issued, Subscribed and Paid-up Share Capital of **Mishapar, Transferor Company no. 1** as at present is as under:

<i>Particulars</i>	<i>Amount (Rs.)</i>
<i>Authorised Capital:</i>	
78,00,000 fully paid-up Equity Shares of Rs.100/- each	78,00,00,000
9,00,000 fully paid-up 13.5% Cumulative Redeemable Preference Shares of Rs.100/- each	9,00,00,000
Total Authorised Capital	87,00,00,000
<i>Issued, Subscribed and Paid-up share Capital:</i>	
78,00,000 fully paid-up Equity Shares of Rs.100/- each	78,00,00,000
9,00,000 fully paid-up 13.5% Cumulative Redeemable Preference Shares of Rs.100/- each	9,00,00,000
Total Issued, Subscribed and Paid-up share Capital	87,00,00,000

The entire share capital of Mishapar (both Equity and Preference Share Capital) is held by MIL (the Transferee Company). Shares of Mishapar are not listed on any Stock Exchange.

- b) The Authorized, Issued, Subscribed and Paid-up Share Capital of **Mafatlal Denim, Transferor Company no. 2** as at present is as under:

<i>Particulars</i>	<i>Amount (Rs.)</i>
Authorised Capital:	
6,50,00,000 Equity Shares of Rs.10/- each	65,00,00,000
Issued, Subscribed and Paid-up Capital:	
4,09,94,151 fully paid-up Equity Shares of Rs.10/- each	40,99,41,510

Shares of Mafatlal Denim are not listed on any Stock Exchange.

- c) The Authorized, Issued, Subscribed and Paid-up Share Capital of **MIL, Transferee Company** as at present is as under:

<i>Particulars</i>	<i>Amount (Rs.)</i>
Authorised Capital:	
1,01,46,054 Equity Shares of Rs. 10/- each	10,14,60,540
6,00,00,000 Fully Redeemable Non-Cumulative Preference Shares of Rs. 10/- each	60,00,00,000
2,98,53,946 Unclassified Shares of Rs. 10/- each	29,85,39,460
Total Authorised Capital	1,00,00,00,000
Issued Capital:	
1,01,46,054 fully paid-up Equity Shares of Rs. 10/- each	10,14,60,540
3,00,00,000 Fully Redeemable Non-Cumulative Preference Shares of Rs. 10/- each	30,00,00,000
Total Issued Capital	40,14,60,540
Subscribed & Paid Up Capital:	
98,13,859 fully paid-up Equity Shares of Rs. 10/- each	9,81,38,590
Less: Calls in arrears	6,120
	9,81,32,470
3,00,00,000 Fully Redeemable Non-Cumulative Preference Shares of Rs. 10/- each	30,00,00,000
Total Subscribed & Paid Up Capital	39,81,32,470

Equity Shares of MIL are listed on Bombay Stock Exchange Limited (BSE) and the Ahmedabad Stock Exchange Limited (ASE).

4. **TRANSFER AND VESTING OF UNDERTAKING OF TRANSFEROR COMPANIES INTO TRANSFEREE COMPANY**
- 4.1 Upon this Scheme coming into effect and subject to the provisions of this Scheme, "Transferor Companies" shall stand amalgamated with "Transferee Company" and Undertaking of both the

“Transferor Companies” shall as going concerns be transferred to and vested in or be deemed to be transferred to and vested in the “Transferee Company”

on and from the Appointed Date (i.e. 1st day of April 2012) in the following manner:

- i) With effect from the Appointed Date, the entire Undertaking including all assets of the Transferor Companies shall under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed stand transferred to and be vested in or be deemed to be transferred to and vested in Transferee Company as a going concern so as to become, as from the Appointed Date, the undertaking of the Transferee Company and to vest all the right, title and interest therein to the Transferee Company.
- ii) With effect from the Appointed Date, all the Liabilities and obligations of every kind, nature and description of Transferor Companies shall, under the provisions of Sections 391 and 394 of the Act and other applicable provisions, if any, of the Act, and without any further act or deed shall stand transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date, the Liabilities and obligations of the Transferee Company without any notice or other intimation to the creditors and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities and obligations have arisen, in order to give effect to the provisions of this clause.
- iii) Any statutory licenses, permissions, approvals or consents to carry on the operations of each of the Transferor Companies shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Undertaking pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.

In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other persons, or availed of by the Transferor Companies are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

- iv) With effect from the Appointed Date, all direct and indirect taxes paid, direct and indirect taxes refund due or receivable, carried forward losses, depreciation, capital losses, pending balances of amortizations etc., and any rights / refunds including under Income Tax Act, Wealth Tax Act, as also application for rectification, appeals filed with tax authorities by the Transferor Companies shall also, pursuant to Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become as from the Appointed Date the taxes paid, direct taxes refund due or receivable, (whether as per Books or as per Tax Laws) of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person, in order to give effect to the provision of this clause.

- 4.2 Where any of the Liabilities of the Transferor Companies have been discharged by Transferor Companies on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.

- 4.3 If and to the extent there are inter - corporate loans, deposits or balances between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall, on and from the Appointed Date, come to an end and suitable effect shall be given in the books of accounts and records of the Transferee Company. For removal of doubts, it is hereby clarified that from the Appointed Date, there would be no accrual of interest or other charges in respect of any such inter-corporate loans, deposits or balances between either of the Transferor Companies as also inter-se between Transferor Companies and the Transferee Company.
- 4.4 The transfer and vesting of the assets and investments of the Transferor Companies as aforesaid, shall be subject to the existing securities, charges etc., if any subsisting, over or in respect of the property and assets or any part thereof of the Transferor Companies.

Provided, however, that any reference in any security documents or arrangements (to which the concerned Transferor Company is a party) to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of that Transferor Company as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of the Transferor Company or any of the assets of the Transferee Company.

Provided further that the securities, charges etc., (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend to any of the other assets of the Transferor Company vested in the Transferee Company or any of the assets of the Transferee Company.

5. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

- 5.1 All employees of the Transferor Companies who are in employment of the respective Transferor Company on the Effective Date, in terms of this Scheme, shall from such date become the employees of the Transferee Company, on the basis that their services have not been interrupted by the vesting of the Undertaking of the Transferor Companies in the Transferee Company under the Scheme and on the same terms and conditions of service applicable to them on the Effective Date as aforesaid.
- 5.2 It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Fund or Trust (hereinafter referred to as "Funds or Trusts") created or existing for the benefit of the staff, workmen and other employees of the Transferor Companies are concerned, upon the Scheme becoming effective, the amounts lying in such Funds or Trusts shall stand transferred to the Funds or Trusts created by the Transferee Company. On transfer of the balances, the Funds or Trusts created by the Transferor Companies shall, subject to fulfillment of procedural requirement, if any, shall stand dissolved. It is clarified that the services of the employees of the Transferor Companies will also be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

6. LEGAL PROCEEDINGS

- 6.1 If any proceedings of whatsoever nature, by or against the Transferor Companies are pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of amalgamation of the Transferor Companies with the Transferee Company or by reason of anything contained in this Scheme. Such proceedings pending by or against the concerned Transferor Company including those by creditors of the Transferor Companies and relating to 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 concerned Transferor Company.

7. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to other provisions contained in this Scheme, all contracts, deeds, bonds, debentures, agreements and other instruments of whatever nature to which respective 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 as effectively as if the Transferee Company had been a party thereto instead of the concerned Transferor Company.

8. CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES TILL EFFECTIVE DATE

8.1 With effect from the Appointed Date and upto the Effective Date, each of the Transferor Companies shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Companies or losses arising or incurred by them shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be.

8.2 The transfer and vesting of the properties and liabilities of the Transferor Companies under this Scheme with effect from the Appointed Date shall not affect any transactions or proceedings already concluded by the concerned Transferor Company on and after the Appointed Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done and executed and all transactions or proceedings already concluded by the Transferor Companies.

8.3 Each of the Transferor Companies hereby undertakes to carry on its business until the Effective Date with reasonable diligence and shall not, without the written consent of the Transferee Company, alienate charge or encumber or otherwise deal with the assets or any part thereof except in the ordinary course of its business.

8.4 The Transferor Companies shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure without the written consent of the Transferee Company, except in the ordinary course of business.

8.5 The Transferor Companies shall not, without the written consent of the Transferee Company, undertake any new business.

8.6 Save as specifically provided in this Scheme, neither the Transferor Companies nor the Transferee Company shall make any change in their capital structure by way of increase (whether by a rights issue, issue of equity or preference shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, reorganisation or in any manner which may in any manner affect the Share Exchange Ratio prescribed in Clause 13.1 (except by mutual consent of the Board of Directors of both the Transferor Companies and the Transferee Company or except as may be permitted under this Scheme).

8.7 The Transferor Companies shall not vary the terms and conditions of the service of their staff, workmen and employees except in the ordinary course of business.

9. DECLARATION OF DIVIDENDS

9.1 The Transferor Companies shall not without the consent of the Transferee Company declare any dividend for the financial year commencing from 1st April 2012 and subsequent financial years during which the Scheme has not become effective.

- 9.2 The Transferee Company will when declaring dividends (including interim dividend), if any, on its equity shares for the financial year commencing 1st April 2012 and subsequent financial years keep a provision for dividend at the same rate in respect of equity shares to be allotted under the present Scheme as provided in clause 13.1 herein and such dividend on such equity shares shall be deemed to be declared and payable if and when this Scheme becomes effective.
- 9.3 Subject to the provisions of this Scheme becoming effective, the profits of the Transferor Companies for the period beginning from 1st April 2012 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of dividend by the Transferee Company in respect of its year commencing 1st April, 2012 or any year thereafter.

10. ACCOUNTING TREATMENT

- 10.1 With effect from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required and except to the extent required by the law, all the assets and liabilities of the Transferor Company No.1 (Mishapar) transferred to the Transferee Company pursuant to this Scheme shall be recorded in the books of the Transferee Company at the fair value.

The shares (both equity and preference), if any held by the Transferee Company in the Transferor Companies and vice versa shall stand cancelled and there shall be no further obligation / outstanding in that behalf.

Excess/Deficit, if any, of the amount of consideration over the value of net assets of the transferor company shall be debited/credited to goodwill/capital reserve arising on amalgamation, as the case may be.

Goodwill, if any, shall be charged off to the Statement of Profit and Loss of Transferee Company.

- 10.2 With effect from the Appointed Date and subject to the provisions hereof and such other corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company be required and except to the extent required by the law, all the assets and liabilities of the Transferor Company No.2 (Mafatlal Denim) transferred to the Transferee Company pursuant to the Scheme shall be recorded in the books of the Transferee Company at the book values as recorded in the books of the Transferor Company No.2.

Difference between the amount recorded as share capital issued (if any) and the amount of share capital of Transferor Company No.2 shall be adjusted in the capital reserves of the transferee company.

The reserves of the Transferor Company No.2 shall be accounted for and dealt with in the books of Transferee Company in the following manner:

- a) An amount equal to the balance lying to the credit of the Capital Redemption Reserve in the books of Transferor Company No.2 shall be credited by the Transferee Company to its Capital Redemption Reserve Account.
 - b) An amount equal to the balance lying to the debit of the Profit and Loss Account in the books of Transferor Company No.2 shall be debited by the Transferee Company to its Profit and Loss Account.
- 10.3 In case of any difference in the accounting policy between the Transferor Companies and the Transferee Company, the impact of the same till the Appointed Date will be quantified and adjusted

in the Reserves to ensure that the financial statement of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

Inter-company balances, if any, shall be cancelled.

- 10.4 Goodwill arising on amalgamation and charged off to the Statement of Profit and Loss in terms of para 10.1 above, shall be set-off in the Statement of Profit and Loss against the balance available in the Securities Premium Account of the Transferee Company pursuant to the provisions of Section 100 to 104 read with Section 78 of the Companies Act, 1956.

11. DEEMED ORDER UNDER SECTION 102 OF COMPANIES ACT, 1956

The utilization of Securities Premium Account, as explained in para 10.4 above, shall be effected as an integral part of the Scheme itself in accordance with the provisions of Section 78 and 100 to 103 of the Act without separately following the process under Sections 100 to 103 of the Act as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital and the Order of High Courts sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction. In view of the same, the provisions of Section 101 of the Act shall not be required to be complied separately.

Notwithstanding the reduction of capital of the Transferee Company as aforesaid, the Transferee Company shall not be required to add "And Reduced" as suffixed to its name.

12. TREATMENT OF TAXES

- 12.1 Any tax liabilities under the Income-tax Act, 1961, or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and TDS as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- 12.2 Any refund under the Tax Laws due to either of the Transferor Companies consequent to the assessments made on such Transferor Company shall also belong to and be received by the Transferee Company.

13. ISSUE OF NEW SHARES BY THE TRANSFEREE COMPANY

- 13.1 Upon the Scheme coming into effect in consideration of the entire businesses and the whole of the Undertakings of the Transferor Company no. 2 being transferred to and vested in the Transferee Company in terms of this Scheme, the Transferee Company shall subject to the provisions of this Scheme and without any further application or deed, issue and allot to every equity shareholder of MAFATLAL DENIM (the Transferor Company no. 2) holding fully paid-up equity shares in the Transferor Company no. 2 and whose names appear in the Register of Members of the Transferor Company no. 2 on the Record Date, 1 (One) Equity Shares of Rs. 10/- each in the Transferee Company credited as fully paid-up, for every 10 (Ten) equity shares of Rs. 10/- each fully paid-up held by such shareholder in the capital of the Transferor Company no. 2.
- 13.2 The Shares to be issued and allotted by Transferee Company as per clause 13.1 above (hereinafter referred to as the "New Equity Shares") shall be subject to the Memorandum and Articles of Association of the Transferee Company. The said New Equity Shares shall rank for voting rights and in all other respects pari-passu with the existing equity shares of the Transferee Company.

- 13.3 No fractional certificates shall be issued by the Transferee Company in respect of fractional entitlements, if any, to any Member of the Transferor Company no. 2. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot equity shares in lieu thereof to a Director or an Officer of the Transferee Company or such other person as the Transferee Company shall appoint in this behalf who shall hold the shares in trust on behalf of the Members entitled to fractional entitlements with the express understanding that such Director or Officer or person shall sell the same to such person or persons and at such prices as he deems fit, and pay to the Transferee Company, the net sale proceeds thereof, whereupon the Transferee Company shall distribute such net sale proceeds to the Members of the Transferor Company no. 2 in proportion to their respective fractional entitlements. If while consolidating fractional entitlements for allotting share/s to such trustee as aforesaid, there arises any fraction the same shall be ignored.
- 13.4 For the purpose aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the requisite approvals of the appropriate authorities concerned for issue and allotment by the Transferee Company to the members of the Transferor Company no. 2 of the Shares in the said share capital of the Transferee Company in the ratio as aforesaid.
- 13.5 In so far as the issue of New Equity Shares by the Transferee Company pursuant to this Scheme, each shareholder of the Transferor Company no. 2 holding shares in physical form shall have the option, exercisable by notice in writing by him to the Transferee Company on or before the Record Date, to receive, the New Equity Shares of the Transferee Company in dematerialised form in lieu of their shares in the Transferor Company no. 2 in accordance with the terms hereof. In the event that such notice has not been received by the Transferee Company in respect of any of the shareholders of the Transferor Company no. 2, the New Equity Shares of the Transferee Company shall be issued to such members in physical form. The shareholders of the Transferor Company no. 2 who exercise the option to receive the New Equity Shares in dematerialized form shall be required to have an account with a depository participant and shall provide full details thereof and such other confirmations as may be required in the notice provided by such shareholder to the Transferee Company. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialised securities account of such member with the New Equity Shares of the Transferee Company allotted to him. The physical share certificates representing the equity shares of the Transferor Company no. 2 shall stand automatically and irrevocably cancelled on the issue and allotment of New Equity Shares by the Transferee Company in terms of this Scheme.
- 13.6 The New Equity Shares of the Transferee Company to be issued to the shareholders of the Transferor Company no. 2 as per clause 13.1 shall be listed and / or admitted to trading on all the stock exchanges on which the shares of the Transferee Company are listed as on the Effective Date. The Shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing / trading permission is given by the Stock Exchanges. The Transferee Company shall give such confirmations and / or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges and existing norms of continuous listing as may be applicable to the Transferee Company. On such formalities being fulfilled the said Stock Exchanges shall list and / or admit such New Equity Shares also for the purpose of trading.
- 13.7 The Transferor Company no. 1 (Mishapar) being a wholly-owned (100%) subsidiary of the Transferee Company, on the Scheme becoming effective, all the Equity Shares (namely 78,00,000 fully paid up Equity shares of Rs. 100/- each) and all the 13.5% Cumulative Redeemable Preference shares (namely 9,00,000 fully paid up Preference shares of Rs. 100/- each) held by the Transferee Company in the Transferor Company no. 1 shall stand cancelled and the Transferee Company shall not be required to issue any shares in lieu of such shares under the Scheme.

Upon the Scheme becoming effective, all the above Equity shares and Preference shares held by the Transferee Company in the said Transferor Company no. 1 shall stand cancelled.

- 13.8 In so far as the Equity shares of the Transferee Company held by the Transferor Company no. 1 are concerned, such shares shall ipso facto stand cancelled on the Effective Date.

14. MODIFICATION / AMENDMENT TO THE SCHEME

- 14.1 The Transferor Companies and the Transferee Company through their respective Board of Directors or a committee thereof may from time to time consent to any modifications or amendments to this Scheme or to any conditions or limitations which the Hon'ble High Court of Judicature at Bombay or the Hon'ble High Court of Gujarat or any other statutory authority may impose and may settle all doubts or difficulties that may arise for carrying out the Scheme and may do and execute all acts, deeds, matters and things as may be necessary for putting the Scheme into effect or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect.

- 14.2 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Board of Directors of the Transferee Company or any committee thereof are authorized to give all such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

15. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

This Scheme is specifically conditional upon and subject to:

- a. The sanction to the Scheme by the Hon'ble High Court of Judicature at Bombay and the Hon'ble High Court of Gujarat under Section 391 read with sections 78, 100 to 103 of the Act and the appropriate orders being made by the said High Courts pursuant to Section 394 of the Act for the amalgamation under the Scheme.
- b. Filing of the order obtained from the Hon'ble High Court of Judicature at Bombay and the Hon'ble High Court of Gujarat, under Sections 391 and 394 read with sections 78, 100 to 103 of the Companies Act, 1956 with the Registrar of Companies, Maharashtra and Registrar of Companies, Gujarat respectively.
- c. Such other sanctions and approvals including sanctions of any statutory or regulatory authority, as may be required by law.

16. PETITION TO THE HIGH COURTS FOR SANCTIONING SCHEME

The Transferor Companies as well as the Transferee Company shall respectively with all reasonable dispatch, make applications/petitions to their respective High Courts for sanctioning this Scheme of Amalgamation under section 391 of the Act and for an order or orders under sections, 391 and 394 read with sections 78, 100 to 103 and other applicable provisions of the said Act for carrying this Scheme into effect.

17. EFFECT OF NON-RECEIPT OF APPROVAL / SANCTION

In the event of any of the aforesaid sanctions and approvals referred to above, not being obtained and / or the Scheme not being sanctioned by the Hon'ble High Court of Judicature at Bombay and Hon'ble High Court of Gujarat, the Scheme shall stand revoked, cancelled and become null and void and 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 event, each party shall bear its respective costs, charges and expenses in connection with the Scheme.

18. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Companies and Transferee Company in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and / or incidental to the completion of Amalgamation of the Transferor Companies in pursuance of the Scheme shall be borne by the respective companies.

19. TRANSFEROR COMPANIES TO BE DISSOLVED WITHOUT WINDING UP

Subject to an order being made by the Hon'ble High Court of Judicature at Bombay and Hon'ble High Court of Gujarat, under Section 394 of the Act, on the Scheme becoming effective, each of the Transferor Companies shall stand dissolved without winding up.

WITNESS BHASKAR BHATTACHARYA, ESQUIRE, THE CHIEF JUSTICE at Ahmedabad aforesaid this 8th day of April, Two Thousand and Thirteen.

BY THE ORDER OF THE COURT

Sd/-

REGISTRAR (JUDICIAL)

This 23rd day of May 2013

SEALER

Sd/-

DEPUTY REGISTRAR

This 23rd day of April 2013

ORDER SANCTIONING THE SCHEME OF ARRANGEMENT AND AMALGAMATION DRAWN ON THE APPLICATION OF M/S. SINGHI & CO., HAVING THEIR OFFICE AT 7-8TH FLOOR, PREMCHAND HOUSE ANNEXE, ASHRAM ROAD, AHMEDABAD- 380 009 AND MR. APURVA VAKIL, HAVING HIS OFFICE AT "RASHMI", 24 SAURABH SOCIETY, B/H BUNGALOW NO. 1, VIJAY CHAR RASTA, MANAV MANDIR ROAD, OPP. UNIVERSITY GROUND, AHMEDABAD-380 009, ADVOCATES FOR THE PETITIONER.

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

ORDINARY ORIGINAL JURISDICTION

COMPANY PETITION NO. 29 OF 2013

CONNECTED WITH

COMPANY APPLICATION NO. 374 OF 2012

In the matter of the Companies Act, 1956;

AND

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

AND

In the matter of Mafatlal Denim Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Vejalpore Road, Navsari – 396 445, Gujarat;

AND

In the matter of Scheme of Arrangement and Amalgamation of Mishapar Investments Limited and Mafatlal Denim Limited with Mafatlal Industries Limited.

Mafatlal Denim Limited,

a company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at Vejalpore Road, Navsari – 396 445, Gujarat.

..... **Petitioner Company**

BEFORE THE HON'BLE MR. JUSTICE R.M. CHHAYA,

DATE:8/04/2013

ORDER UNDER SECTION 394

The above Petition coming for hearing on 8th day of April, 2013 and **UPON** reading the said Petition, the order dated 21st day of December, 2012 in Company Application No. 374 of 2012, whereby meeting of the Equity Shareholders of Mafatlal Denim Limited, the Petitioner abovenamed (hereinafter referred to as "the said Company") was dispensed with for the purpose of considering, and if thought fit, approving, with or without modification, the arrangement embodied in the Scheme of Arrangement and Amalgamation of Mishapar Investments Limited and Mafatlal Denim Limited (hereinafter collectively referred to as "Transferor Companies") with Mafatlal Industries Limited (hereinafter referred to as "Transferee Company") and their respective shareholders and creditors ("the said Scheme") in view of the consent affidavits to the said Scheme received from all the Equity Shareholders and **UPON** reading the order dated 21st day of December 2012, wherein it was noted that the rights and interest of the Secured and Unsecured Creditors of the Petitioner Company were not affected upon the Scheme coming into effect and **UPON** reading the Affidavit of Shri Rajiv Dayal, Managing Director and Chief Executive Officer of the said Company, dated the 7th day of February 2013, verifying the Petition and **UPON** reading the Affidavit of Shri Rajiv Dayal

dated 20th day of February 2013, showing the publication of the notice of hearing of this Petition in English daily, Indian Express, Ahmedabad Edition dated 16th day of February 2013 and Gujarati daily Sandesh, Ahmedabad Edition dated 16th day of February 2013, (advertisement in the Gujarat Government Gazette having been dispensed with) and also showing the service of notices on the Regional Director, Ministry of Corporate Affairs and to the Office of the Official Liquidator and **UPON** reading the Report of the Official Liquidator, dated 19th day of March, 2013 and **UPON** reading the Affidavit of Shri K. Nandakumar, Company Secretary and Chief Financial Officer of the said Company dated 28th day of March 2013 in response to the observation made by the Official Liquidator and **UPON** hearing Shri Sandeep Singhi for Singhi & Co., and Shri Apurva Vakil, for the said Company and hearing the submissions of the Shri Iqbal Shaikh instructed by the Regional Director, Ahmedabad and hearing the submissions of the Official Liquidator.

THIS COURT DOTH ORDER

1. That all the property, rights and powers of the transferor Company No. 2 specified in the first, Second and Third parts of the schedule hereto and all other properties, rights and powers of the transferor Company No. 2 be transfer without further act or deed to the transferee company and accordingly the same shall pursuant to section 394(2) of the Companies Act 1956. be transferred to and vested in the transferee company for all the estate and interest of the transferror Company No. 2 therein but subject nevertheless to all charges now affecting the same.
2. That with effect from the Appointed Date, the entire Undertaking including all assets of the Transferor Company No. 2 shall under the provisions of Sections 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed stand transferred to and be vested in or be deemed to be transferred to and vested in Transferee Company as a going concern so as to become, as from the Appointed Date, the undertaking of the Transferee Company and to vest all the right, title and interest therein to the Transferee Company.
3. That with effect from the Appointed Date, all the liabilities and obligations of every kind, nature and description of Transferor Company No. 2 shall, under the provisions of Sections 391 and 394 of the Act and other applicable provisions, if any, of the Act, and without any further act or deed shall stand transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date, the Liabilities and obligations of the Transferee Company without any notice or other intimation to the creditors and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities and obligations have arisen, in order to give effect to the provisions of this clause.
4. That any statutory licenses, permissions, approvals or consents to carry on the operations of each of the Transferor Company No. 2 shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of the Transferee Company upon the vesting and transfer of the Undertaking pursuant to this Scheme. The benefit of all statutory and regulatory permissions, factory licenses, environmental approvals and consents, sales tax registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to this Scheme.

In so far as the various incentives, subsidies, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other persons, or availed of by the Transferor Company No. 2 is concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

5. That with effect from the Appointed Date, all direct and indirect taxes paid, direct and indirect taxes refund due or receivable, carried forward losses, depreciation, capital losses, pending

- balances of amortizations etc., and any rights / refunds including under Income Tax Act, Wealth Tax Act, as also application for rectification, appeals filed with tax authorities by the Transferor Company No. 2 shall also, pursuant to Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company, so as to become as from the Appointed Date the taxes paid, direct taxes refund due or receivable, (whether as per Books or as per Tax Laws) of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person, in order to give effect to the provision of this clause.
6. That where any of the Liabilities of the Transferor Company No. 2 have been discharged by Transferor Company No. 2 on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
 7. That if any proceedings of whatsoever nature, by or against the Transferor Company No. 2 is pending, the same shall not abate or be discontinued or be in any way prejudicially affected by reason of amalgamation of the Transferor Company No. 2 with the Transferee Company or by reason of anything contained in this Scheme. Such proceedings pending by or against the concerned Transferor Company No. 2 including those by creditors of the Transferor Company No. 2 and relating to 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 concerned Transferor Company No. 2
 8. That all employees of the Transferor Company No. 2 who are in employment of the respective Transferor Company on the Effective Date, in terms of this Scheme, shall from such date become the employees of the Transferee Company, on the basis that their services have not been interrupted by the vesting of the Undertaking of the Transferor Company No. 2 in the Transferee Company under the Scheme and on the same terms and conditions of service applicable to them on the Effective Date as aforesaid.
 9. That any tax liabilities under the Income-tax Act, 1961, or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as “**Tax Laws**”) allocable or related to the business of the Transferor Company No.2 to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and TDS as on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
 10. That upon the Scheme coming into effect in consideration of the entire businesses and the whole of the Undertakings of the Transferor Company No. 2 being transferred to and vested in the Transferee Company in terms of this Scheme, the Transferee Company shall subject to the provisions of this Scheme and without any further application or deed, issue and allot to every equity shareholder of the Transferor Company no. 2 holding fully paid-up equity shares in the Transferor Company No. 2 and whose names appear in the Register of Members of the Transferor Company No. 2 on the Record Date, 1 (One) Equity Shares of Rs. 10/- each in the Transferee Company credited as fully paid-up, for every 10 (Ten) equity shares of Rs. 10/- each fully paid-up held by such shareholder in the capital of the Transferor Company no. 2.
 11. That the arrangement embodied in the Scheme of Arrangement and Amalgamation at Annexure “G” to the Petition is sanctioned and the same be binding on the said Company and the Equity Shareholders and Creditors of the said Company and all persons concerned under the Scheme.
 12. That the said Company do within 30 days after the date of sealing of the order to be made herein cause a certified copy thereof to be delivered to the Registrar of Companies, Gujarat at Ahmedabad

for registration and on such certified copy being so delivered the said Company shall be dissolved without winding up and the Registrar of Companies, Gujarat, Ahmedabad, shall place all documents relating to the said Company and registered with him in the file kept by him in relation to the said Company and the files relating to the said Company and Mafatlal Industries Limited shall be consolidated accordingly.

13. That the fees of Rs.7,500/- of Mr. IqbalShaikh, appearing for the Regional Director, Ministry of Corporate Affairs, Ahmedabad and the costs for Rs.7,500/- of the Official Liquidator shall be paid by the said Company.
14. That liberty is reserved to any person interested in this Petition to apply to this Hon'ble Court herein as and when occasion may arise for any direction that may be necessary.

SCHEDULE

Schedule of assets of Mafatlal Denim Limited (the Transferor Company No.2) to be transferred to and vested in Mafatlal Industries Limited (the Transferee Company)

Part-I

(A short description of the freehold property of Mafatlal Denim Limited, the Transferor Company No.2 as on 8.4.2013)

(i) Building:

(A) All that industrial constructed areas and buildings termed as "Navsari Plant" admeasuring approx. 31384 sq. mts. built up area, constructed on the leasehold land, (detailed herein in Part II below) and all plant and machinery attached to the earth or permanently fastened to anything attached to the earth, lying and being at Navsari in the Registration District of Navsari in the State of Gujarat and forming part of City Survey No. 920 and bounded as follows:

- On or towards the North by the Mill Premises
- On or towards the South by Private properties
- On or towards the East by Private Property
- On or towards the West by Mill Property

(B) Flat Nos. 903 & 1003 admeasuring in aggregate 2210 sq. ft. in the building known as Supreme Towers Co-op Housing Society Limited, Maneklal Road, Navsari – 396 445, Gujarat in respect of which the society has issued Two Share Certificates dated 23.04.1999 for 5 shares each bearing distinctive nos. 386 to 390 and 391 to 395 respectively each share being of face value of Rs. 50/- and forming part of Survey No. 2946.

PART – II

(A Short description of the leasehold property of Mafatlal Denim Limited, the Transferor Company No.2 as on 8.4.2013)

(i) Land:

(A) All that piece or parcel of land or ground situate, lying and being at Navsari in the Registration District of Navsari in the State of Gujarat and forming part of City Survey No. 920 admeasuring 71,443 Sq. Mtrs. and bounded as follows:

- On or towards the North by the Mill Premises
- On or towards the South by Private properties
- On or towards the East by Private Property
- On or towards the West by Mill Property

PART – III

(A Short description of all stocks, shares, debentures and other charges in action of Mafatlal Denim Limited, the Transferor Company No.2 as on 8.4.2013)

NIL

COMPANY PETITION NO. 29 OF 2013

WITNESS BHASKAR BHATTACHARYA, ESQUIRE, THE CHIEF JUSTICE at Ahmedabad aforesaid this 8th day of April, Two Thousand and Thirteen.

BY THE ORDER OF THE COURT

Sd/-

REGISTRAR (JUDICIAL)

This 23rd day of May 2013

SEALER

Sd/-

DEPUTY REGISTRAR

This 23rd day of May 2013

ORDER SANCTIONING THE SCHEME OF ARRANGEMENT AND AMALGAMATION DRAWN ON THE APPLICATION OF M/S. SINGHI & CO., HAVING THEIR OFFICE AT 7-8TH FLOOR, PREMCHAND HOUSE ANNEXE, ASHRAM ROAD, AHMEDABAD- 380 009 AND MR. APURVA VAKIL, HAVING HIS OFFICE AT "RASHMI", 24 SAURABH SOCIETY, B/H BUNGALOW NO. 1, VIJAY CHAR RASTA, MANAV MANDIR ROAD, OPP. UNIVERSITY GROUND, AHMEDABAD-380 009, ADVOCATES FOR THE PETITIONER.