MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION

OF

Peninsula Land Limited

No. 11- 5

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME
IN THE OFFICE OF THE REGISTRAR OF COMPANIES,
MAHARASHTRA, MUMBAI.

In the matter of

MORARJEE REALTIES LIMITED

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

from MORARJEE REALTIES LIMITED

to Peninsula Land Limited.

and I hereby certify that

MORARJEE REALTIES LIMITED

which was originally incorporated on TENTH day of AUGUST 1871 under the Companies Act, 10 of 1866 and under the name

MORARJEE GOCULDAS SPINNING & WEAVING COMPANY LIMITED.

having duly passed necessary resolution in terms of section 21 of the Companies Act, 1956 the name of the said Company is this day changed to

Peninsula Land Limited.

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

Given under my hand at Mumbai this TENTH day of APRIL TWO THOUSAND SIX.

(M. V. CHAKRANARAYAN)
Dy. Registrar of Companies,
Maharashtra, Mumbai.

No. 11— 5

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

CERTIFICATE OF REGISTRATION OF SPECIAL RESOLUTION PASSED FOR ALTERATION OF OBJECTS IN THE OFFICE OF THE REGISTRAR OF COMPANIES MAHARASHTRA,MUMBAI.

MORARJEE REALTIES LIMITED

having by Special Resolution passed on 13/03/2006. altered the provisions of its Memorandum of Association with respect to its objects, and a copy of the said resolution having been filed with this office on 03/04/2006.

I hereby certify that the Special Resolution passed on 13/3/2006. together with the printed copy of the Memorandum of Association has this day been registered

Given under my hand at MUMBAI this TENTH day of APRIL TWO THOUSAND SIX.

(M. V. CHAKRANARAYAN)
Dy. Registrar of Companies,
Maharashtra, Mumbai.

No.11- 05

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME
IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA, MUMBAI.

In the matter of
MORARJEE GOCULDAS SPINNING & WEAVING COMPANY LIMITED

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

from MORARJEE GOCULDAS SPINNING & WEAVING COMPANY LIMITED

to MORARJEE REALTIES LIMITED
and I hereby certify that
MORARJEE GOCULDAS SPINNING & WEAVING COMPANY LIMITED

Which was originally incorporated on TENTH day of AUGUST, 1871 under the Companies Act, I of 1956 under the name
MORARJEE GOCULDAS SPINNING & WEAVING COMPANY LIMITED
having duly passed necessary resolution in terms of section 21 / / / / of the Companies Act, 1956 the name of the said company is this day changed to MORARJEE REALTIES LIMITED and this certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at MUMBAI this EIGHT day of SEPTEMBER Two Thousand FOUR.

(M.V.CHAKRANARAYAN)
DEPUTY REGISTRAR OF COMPANIES
MAHARASHTRA MUMBAI.

CERTIFICATE OF REGISTRY OF THE MEMORANDUM

AND

ARTICLES OF ASSOCIATION

OF

The Morarjee Goculdas Spg. & Wvg. Co. Ltd.

Under Act No. 10 of 1866 of the Legislative Council of India

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

Dated at Bombay, the Tenth day of August, 1871

(sd)
Registrar of Joint Stock
Companies, Bombay.

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ABSTRACT OF THE

ARTICLES OF ASSOCIATION

OF

PENINSULA LAND LIMITED

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MEMORANDUM OF ASSOCIATION

OF

Peninsula Land Limited

I. The name of the Company is "Peninsula Land Limited"

II. The Registered Office of the Company is to be established in Bombay, or at such other place as may hereafter be fixed upon.

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

1. The acquisition or purchase from Morarjee Goculdas and others for the sum of Eight Lakhs of Rupees of certain landed property on the Parel Road, with the Buildings and Machinery at present being erected there, the said Buildings and Machinery consisting of an Engine and Boiler-house with one Engine of 60 Horse-power and three Steel Boilers with Economizers, one large three-storied Spinning Mill, and one one-storeyed Spinning Mill and Weaving Shed, containing altogether about 17,000 Spindles and 200 looms, all of these to be handed over by the vendors in working order;

2. To sell, exchange, or lease the whole or any part of the land or other immoveable property for the time being belonging to the Company, and to take back the same on lease or repurchase for such price or prices and on such terms and conditions as may be agreed upon.

(Erstwhile Clause No. 10 re-numbered as Clause No. 2 pursuant to a Special resolution passed shareholders through Postal Ballot on 13th March, 2006)

3. To purchase, buy, take on lease, or otherwise acquire any land (whether freehold or leasehold), houses, buildings, or other property with or without machinery in Bombay, and to erect, construct any build any warehouses, engine houses, factories, mill or other buildings, which may be considered expedient or desirable for the objects or purposes of the Company or any of them, and to pay for the same lands, buildings, and other property, whether purchased or acquired or built or constructed by the Company, either in cash, or to make advances on them or any of them.

(Erstwhile Clause No. 5 re-numbered as Clause No. 3 pursuant to a Special resolution passed shareholders through Postal Ballot on 13th March, 2006)

4. To extend the business of the Company from time to time, by adding to, altering or enlarging all or any of the buildings, mill premises, plant 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 expending from time to time such sums of money as may be necessary or expedient for the purpose of improving, addition to, altering, repairing and maintaining the buildings, machinery, plant and property for the time being of the Company, and to pay for all such extensions, improvements, additions and alterations either in cash or to make advances on them.

(Erstwhile Clause No. 6 re-numbered as Clause No. 4 pursuant to a Special resolution passed shareholders through Postal Ballot on 13th March, 2006)

5. To carry on all or any of the businesses following in Bombay or elsewhere, namely, the business of silk and cotton spinners, weavers and doublers, flax, hemp and jute spinners, linen manufacturers, flax, hemp, jute and wool merchants, wool combers, worsted spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers, ginners and pressers and makers of vitriol, bleaching and dyeing materials and to purchase, comb, prepare, pin, dye and deal in cotton, flax, hemp, jute, wool, silk and other fibrous substances and products, and to weave or otherwise manufacture, buy sell and deal in raw cotton, yarn, silk, wool, jute, flax, hemp and other fibrous substances and products, and in linen, cloth and other goods, fabrics and materials, and to gin and press cotton, and to employ Agents, Sub-Agents, Brokers and Dealers for any of the purpose of the Company.

6. To buy, in Bombay or elsewhere, for the purpose of manufacture, raw cotton, silk, wool, jute, hemp and other fibres and all materials and the things useful or necessary for dyeing, bleaching and printing purposes; to spin, weave, manufacture, dye, bleach and print otherwise utilise the same, and to sell in Bombay for cash or on credit or to contract for the sale and future delivery of, or to send for sale in any part of India or elsewhere the yarn, cloth and commodities so manufactured or prepared.

6A. To carry on business as manufacturers, sellers, importers, exporters, selling agents, consultants and designers, of Bi/ Tri metal bearings, bushes, ball bearings, roller bearings and needle bearings.

6B. To carry on business of manufacturers, sellers, importers, exporters, selling agents, consultants and designer of ferrous and non-ferrous powders and powder metal sintered components such as tools, blanks, billets and structural sintered parts and bushings.

6C. To carry on business as manufacturers, dealers and to act as agents of Electronic instruments, Electronic and Electric Equipment, Electronic Components, Magnetic Tapes, Ferrite Rods, Hard and Soft Ferrites, Capacitors, Connectors, Micro Switches Electronic, Switching Equipment, Powder Diodes, Rectifiers, Integrated Circuits, Resistors, Reed relays and Switches, Printed Circuits Rods, Keyboards and Computers, Mini-Computers and Micro- Processor Based systems.

6D. To acquire, to provide on lease or to provide on hire purchase basis industrial and office plant and equipment, machinery, vehicles, buildings and real estate.

6E. To manufacture, buy, sell, refine, manipulate, purchase, distribute, import, export or otherwise deal in all kinds of Glass, Glassware, Glass bottles, vials, Glass containers and acrylic substitutes of such bottles, vials and the like of all descriptions, kinds and forms.

6F. To carry on business as manufacturers, designers, assemblers, contractors, dealers, exporters and importers of all kinds of automotive parts and accessories.

6G. To carry on business as manufacturers and dealers of all kinds of Electronic & Electrical components.

6H. To carry on business as manufacturers, designers, assemblers, contractors, dealers, exporters and importers of all kinds of automotive parts and accessories, equipments and fittings, including voltage regulators, horn relays, air horns, stop-light switches, oil pressure switches, all panel and other switches, flashers, dynamo armatures, starter armatures, commutators, field coils, wiper motors, wiper blades and arms, ignition coils, indicators, lamps of all types, dynamos, generators, starters, alternators, magnetos, trafficators, fans, lighter, electric horns, fuel pumps, electric bulbs, sealed beams, carbon and starter brushes, regulator points and resistances, horn points, distributors and parts thereof, heaters, cigar lighters, air-conditioners, ammeters, volt meters, ohm meters, fuel gauges etc. and components of all these abovementioned items and all parts for motor cars, motor trucks, station wagons, omnibuses, coaches, tractors, trailers, motor cycles, motor bicycles, scooters, railways, and other automotive vehicle and also for any other means of conveyance or transport or any kind of engines or prime movers.

6I. To carry on the business of a leasing and hire purchase finance company and to provide on lease or on hire purchase all types of industrial and office plants, equipments, machinery, vehicles and buildings.

6J. To carry on the business of financing industrial enterprises relating to textile engineering, chemicals automobile, pharmaceutical industries and also in respect of the objects of the Company.

[Sub Clause 6A to 6J added pursuant to order passed on 13th Dec., 1991 by Bombay High Court in Company Petition No. 516 of 1991 Sanctioning Composite & Integrated Scheme of Amalgamation u/s 391/394 of the Companies Act, 1956.]

7. To purchase in Bombay or in any part of India or elsewhere any machinery, plant stores and other articles and things for all or any of the objects or purpose of the Company, and to pay for the same either in cash on delivery or to make advances on them.

8. To re-sell from time to time any raw cotton, wool, jute, silk hemp, fibres, materials, machinery, plant, stores, and other articles and things, but so as not to indulge in any speculation therein.

9. To remove all or any of the machinery plant and stores of the Company for the time being in or upon any land, buildings and premises of the Company to other lands, buildings or premises, wheresoever situate of the Company.

10. To purchase the reversion or reversions or otherwise acquire the freehold or fee simple of all or any part of the leasehold land or lands for the time being the property of the Company.

11. To invest the funds of the Company from time to time in such manner and in such securities, shares or otherwise as may from time to time be determined by the Directors, and from time to time to sell or vary all such investments, and to execute all assignments, transfers, receipts and documents that may be necessary in that behalf, provided that the funds of the Company shall not be invested in any company (other than a subsidiary of this Company) in the Managing Agents firm whereof any partner of the Managing Agents of this Company may be a partner.

12. To carry on any other business, whether manufacturing or otherwise, which may seem to the Company to be capable of being conveniently carried on in connection with the above, or calculated, directly or indirectly, to enhance the value or render profitable any of the Company's property or rights.

13. To borrow or raise moneys or loans for the purpose of the Company, by promissory notes, bills of exchange, hundies and other negotiable or transferable instruments or by mortgage or by debentures or by debenture-stock, perpetual or otherwise, charged upon all or any of the Company’s property (both present and future) including its uncalled capital, upon such terms as the Directors may deem expedient or in such manner as may be deemed expedient or to take moneys on deposit at interest or otherwise and to lend money to customers and other persons

having dealings with the Company and to guarantee the performance of contracts or repayment of loans by any person.

(Replaced by Special Resolution passed at the Annual General Meeting of the Company held on 5th August, 2016.)

14. To open current or fixed or overdraft or loan or cash credit accounts with any bank, banker, shroff or merchants and to pay into and to draw out money from such accounts.

15. To enter into any arrangement 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 authorised to carry on or engage in or any business or transaction, capable or being conducted so as directly or indirectly to benefit the Company.

16. To act in conjunction with unite or amalgamate with, create or constitute or assist in creating or constituting any other Company or Association of a kind similar, wholly or partially to this Company and to buy up or absorb all or any art of the business or property of any such Company or Association.

17. To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company in General Meeting 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 the Company.

18. To acquire work and dispose of any patents or other rights or privileges or licences for or connected with or conducive to the advantageous carrying on of the business or the attainment of any of the objects of the Company.

19. To become members of or to enter into any arrangement with any institution, association or company carrying on or to be formed for the purpose of carrying on research and other scientific work or investigation in connection with the textile trade or industry or other trades or industries allied there-with or accessory thereto or any other work, inquiry or investigation tending or likely to benefit the Company directly or indirectly and for such purpose to take or otherwise acquire shares in any such institution, association or company, and to contribute towards the capital or funds of or otherwise aid and promote the interests of any such institution, association or company.

20. To establish, maintain, support and subscribe to any charitable, benevolent, national or public object or fund or institution or any institution or any institution, society or club which may be for the benefit of the Company or its employees or ex-employees or may be connected with any town or place where the Company

carries on business, and to give pensions, bonuses, gratuities or charitable aid or relief of all kinds to any person or persons who have served the Company or to the wives, widows, children or relatives or dependents of such person or persons that may appear to the Directors just or proper whether any such person or the widow, children or dependents of any such person have or have not a legal claim upon the Company and to establish, maintain, support and subscribe to any Provident or other Fund or Trust for the benefit of or to otherwise give any aid or facility or amenity to any of the employees or their relatives or dependents and to build or otherwise acquire or take on lease or hire dwelling houses or chawls, places of instruction or recreation, hospitals, dispensaries or other works or institutions for providing amenities (whether free of charge or otherwise) for the benefit of the employees or ex-employees of the Company.

20A To promote, sponsor, undertake and carry out rural development including any programme for promoting the social and economic welfare of or the uplift of the people in any rural area and to incur any expenditure on any programme of the rural development and to assist promotion or execution thereof either directly or through an independent agency or by making contributions or giving donations 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 people 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 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 abovementioned 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 Institution or Trust or Fund as the Directors may approve.

20B. To promote, sponsor, undertake and carry out or assist any activity for the promotion and growth of the 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 people or any section of the people 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 promote, sponsor, undertake and carry out, any activity for publication of any books, literature, newspaper etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, scholarships, loans or any other assistance to deserving students or to other scholars or persons to or enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any Institution, Fund, Trust, Seminars, Camps 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 abovementioned objects or purposes transfer without consideration or as 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 Institution or Trust or Fund as the Directors may approve.

20C. To carry on all or any of the businesses of manufacturing chemists, pharmaceutical chemists, wholesale and retail druggists, importers, exporters and manufacturers, makers refiners, processors or formulators of and traders and dealers in pharmaceutical, medicinal, chemical, biological, immunological contraceptive and therapeutic preparation substances, materials and articles of all kinds and clauses whether simple, compound or otherwise and whether proprietary or otherwise and materials, dressings, apparatus and contrivances of every description and for any purpose including in particular but without limiting the generality of the foregoing scientific, medical, dental, veterinary, agricultural, horticultural, fishery and forestry purposes, surgical, photographic, electrical and scientific instruments and appliance and artificial limbs and other aids for the relief of defects of body or sight or hearing and to make and deal in all requisites of hospitals, patients and invalids.

20D. To carry on business as manufacturers of and dealers in, foods for infants and invalids, dietetic foods, cereals and foodstuffs of all descriptions for human and animal use; tonics, beverages and other restoratives or foods, suitable or deemed to be suitable for invalids and convalescents and/or for the general public.

20E. To manufacture produce, redifine, process, formulate, buy, sell, export, import or otherwise deal in all classes and kinds of chemicals including, without limiting the generality

of the foregoing, laboratory and scientific, chemicals, chemicals of any nature used or capable of being used in the pharmaceutical industry, agricultural chemicals, fertilisers, petro-chemicals, industrial chemicals or any mixtures, derivaties and compounds thereof.

20F. To carry on business as manufacturers of and dealers in all kinds of cosmetics, perfumes and essences, dentrifices lotions, extracts, herbs, greases, salves, ointments, hair dressings, creams, beauty preparations, pomades, powders unguents, toilet requisites and preparations, cleansing compounds, starch, soda, water softeners and all kinds of laundry and washing materials, detergents, glycerine, soaps, flavourings, and paints, varnishes, pigments, resins, adhesives, dyeware, paint and colour grinders and all products and supplies and any manner used in or incidental to the manufacture dealing or production of the same or any of them.

20G. To acquire the recipes and full information as to the processes of manufacturing and the right to manufacture and deal in pharmaceutical and medicinal preparations of all kinds, patent medicines and deal in and acquire any patent rights, trademarks, designs, licences and the like.

20H. To carry on the trade and business as Chemical Wholesalers, Retailers, Distributors, Agents, Commission Agents, Del Credere Agents, Brokers, Factors, Promoters, Warehousemen, Importers and Exporters.

20I. To amalgamate with any other Company having objects altogether or in part similar to those of this Company or otherwise.

20J. To manufacture, make up, prepare, buy, sell and deal in all aricles, substances and things (commonly or conveniently) used in or for making up, preparing, packing or wrapping of any of the products in which the Company is authorised to deal or which may be required by customers of or persons having dealings with the Company.

20K. To finance Industrial Enterprises and to lend money either with or without security and generally to such persons or to bodies corporate and upon such terms and conditions as the Company may think fit.

21. And to do and perform generally all such other acts and things as may be in the opinion of the Directors necessary or conducive to the attainment of all or any of the above objects or in anywise incidental thereto.

IV. The Liability of the Shareholders is limited.

V. The Share Capital of the Company is Share Capital of the Company is 78,12,10,000/- (Rupees Seventy Eight Crores Twelve Lakh Ten Thousand only) divided into 39,05,00,000 (Thirty Nine Crores Five Lakhs) Equity Shares of Rs. 2/- (Rupees Two) each aggregating to Rs. 78,10,00,000/- (Rupees Seventy Eight Crores Ten Lakhs only) and 1,000 (One Thousand) - 5% Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 10,000/- (Rupees Ten Thousand only) and 20,000 (Twenty Thousand) – 0.01% Non- Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each aggregating to Rs. 2,00,000/- and the Share Capital shall be capable of being increased and reduced in accordance with the Company's Regulations and Legislative provisions for the time being in force in that behalf, with power to divide the shares in the Capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions.

(Amended by a special resolution passed at the E.G.M. held on 24th March, 1994)

(Amended by a special resolution passed at the A.G.M. held on 31st August, 2005)

(Amended by a special resolution passed through postal ballot on 25th July, 2006)

(Substituted by Ordinary resolution passed at the A.G.M. held on 21st September, 2007)

(Substituted by Ordinary resolution passed at the E.G.M. held on 22nd October, 2007).

(Substituted by Ordinary resolution passed at the A.G.M. held on 10th August, 2009).

(Amended by virtue of High Court order dated 25th October, 2013 approving the Composite Scheme of Arrangement and Amalgamation between Peninsula Mega Township Developers Private Limited and City Parks Private Limited and RR Mega Property Developers Private Limited and Wismore Real Estate Private Limited with Peninsula Land Limited and their respective shareholders with effective date 7th November, 2013)

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

Names, addresses, descriptions, and occupation of each subscriber	No. of equity Shares taken by each subscriber	Signature of Subscriber	Name, address, description & occupation of witness

Place :
Date :

Adopted at the Extraordinary General Meeting of Shareholders held on Friday the 23rd November 1956, in substitution of and to the exclusion of the old Articles of Association of the Company

Subsequent alterations upto those made by Special Resolution passed at the Annual General Meeting of the Company held on 21st November, 1997 arc also incorporated

ARTICLES OF ASSOCIATION

OF

Peninsula Land Limited

Amendments in Articles of Association:

PRELIMINARY

1. The regulations contained in Table A, in the First Schedule to the Companies Act 1956, shall not apply to this Company, but the regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in these Articles.

Table A not to apply bat Company to be governed these Articles.

INTERPRETATION

2. In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context thereof:-

Interpretation Clause.

"The Company" or "this Company"

"The Company" or "this Company" means Peninsula Land Limited.

"The Act"

"The Act" means "The Companies Act, 1956" or any statutory modification thereof or other Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to Companies.

"Auditors"

"Auditors" means and includes those persons appointed as such for the time being by the Company

"Beneficial owner"

"Beneficial owner" shall mean beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996

(Inserted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

"Board"	"Board" means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a circular Resolution in accordance with these Articles or the Directors of the Company collectively
"Capital"	"Capital" means the capital for the time being raised or authorised to be raised, for the purposes of the Company.
"Depositories Act, 1996"	"Depositories Act, 1996" shall include any statutory modification or re-enactment thereof; and
"Depository"	"Depository" shall mean a Depository as defined under clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996. ***(Inserted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)***
"ADR and GDR"	"ADR" shall mean American Depository Receipt and "GDR" shall mean Global Depository Receipt. *(Inserted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)*
"Directors"	"Directors" means the Directors for the time being of the Company or as the case may be, the Directors assembled at a Board.
"Secretary"	"Secretary" shall mean the Company Secretary appointed in accordance with the provisions of the Act. *(Inserted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)*
"Dividend"	"Dividend" includes bonus.
"Gender"	Words importing the masculine gender also include the feminine gender.
"In writing" and written"	"In writing" and "written" mean written or printed or lithographed or partly written and partly printed or lithographed, or typewritten or other substitute for writing, or other modes of representing or reproducing words in a visible form.
"Members"	"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company and the beneficial owner(s) as defined in clause (a) of sub-section (1) of Section 2 of the Depositories Act, 1996. ***(Substituted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)***
"Meeting or "General Meeting""	"Meeting" or "General Meeting" means a meeting of members.
Annual General Meeting"	"Annual General Meeting" means a General Meeting of the members held in accordance with the provisions of Section 166 of the Act.

“Extraordinary General Meeting” means on Extraordinary General Meeting of the members duly called and constituted.	"Extraordinary General Meeting "
“Month” means a calender month.	"Month"
“The Office” means the Registered Office for the time being of the Company.	"Office"
“Paid up” includes credited as paid up.	"Paid UP"
“Person” shall include individuals, companies, body corporates, corporations, organizations, partnerships, firms, joint ventures, joint families, incorporated or unincorporated associations or bodies of persons, societies, trusts, public financial institutions, banks and juristic persons. *(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)*	"Person"
“Proxy” means an instrument whereby any person is authorised to vote for a Member at a General Meeting or poll.	"Proxy"
“Register of Members” means the Register of Members to be kept pursuant to the Act and also includes records of the Depository maintained in any media as may be permitted by law including electronic media. *(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)*	"Register of Members"
“The Registrar” means a Registrar of Companies as defined in Section 2 (40) of the Act	"Registrar"
“Company’s Regulations” or “these presents” means these Articles of Association and any other Regulations for the time being for the Management of the Company.	"Company's Regulations" or "these presents"
“Seal” means the Common Seal for the time being of the Company.	"Seal"
“Shares” means the shares into which the Capital is divided and the interest corresponding with such shares.	"Shares"
Words importing the singular number include, where the context admits or requires, the plural number and vice versa.	"Singular Number"
“Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 189 of the Act. *(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)*	“Ordinary Resolution” and "Special Resolution"
“Year” means the calender year and “Financial Year” shall have the meaning assigned thereto by Section 2(17) of the Act.	"Year" and "Financial Year"

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.

The marginal notes hereto shall not affect the construction hereof.

Copies of the Memorandum and Articles of Association to be sent by Directors

3. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Board of Directors to every Member at his request within seven days of the request on payment of a sum not exceeding Rupee one for each copy.

CAPITAL

"Capital"

4. The Authorised Share Capital of the Company shall be such amount as may from time to time be authorised by the Memorandum of Association.

(Amended by a special resolution passed through postal ballot on 25th July 2006)

(Amended by a special resolution passed at the A.G.M. held on 31st August 2005)

(Amended by a special resolution passed at the E.G.M. held on 24th March, 1994)

"Redeemable Preference Shares"

5. Subject to the provisions of Section 80 of the Act, the Company shall have power to issue Preference Shares carrying a right of redemption or liable to be redeemed at the option of the Company, and the Directors may, subject to the provisions of the Act and of these presents, exercise such power in any manner prescribed by the resolution authorising the issue of such shares.

ADR / GDR issue

5A. The Company shall, subject to the provisions of the Act, compliance with all applicable laws, rules and regulations, have power to issue ADRs or GDRs or such other securities on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include, at the discretion of the Board, limitations on voting by holders of ADRs or GDRs or such other securities, including without limitation, exercise of voting rights in accordance with the directions of the Board or otherwise.

(Inserted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

Company's shares not to be purchased

6. None of the funds of the Company shall be employed directly or indirectly in the purchase of or lent on security of shares of the Company, and the Company shall not, except as authorised by Section 77 of the Act, give any financial assistance for the purpose of or in connection with any purchase or subscription of shares in the Company.

Buyback of shares

6(A) Notwithstanding anything contained in these articles, the Board of Directors may, when and if thought fit, buyback such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and in accordance with the provisions of Sections 77A, 77AA and 77B of the Act or any statutory modification thereto and such other regulations and guidelines as may be issued in this regard.

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

6(B) Except to the extent permitted by Section 77 or other applicable provisions (if any) of the Act, the Company shall not give whether directly or indirectly and whether by means of a loan, guarantee, provision of security or otherwise, any financial assistance for the purpose of, or in connection with the purchase or subscription made or to be made by any person of or for any shares in the Company.

(Inserted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

"Allotment of shares"

7. Subject to the provisions 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 of the same or any of them to such persons, in such proportion and on such terms and conditions and either (subject to the provisions of Section 78 of the Act) at a premium or at par, or (subject to the provisions of Section 79 of the Act) at a discount as they may from time to time think fit and proper and with the sanction of the Company in General Meeting to give to any person a call of any shares either at par or at a premium and at such time and for such consideration as the Directors think fit. Provided however that the Company in General Meeting shall be entitled to make any provision or provisions as regards the issue, allotment or other disposal of such shares before the issue thereof by the Directors.

"Return of Allotments"

8. As regards all allotments from time to time made, the Directors shall duly comply with the provisions of the Act in that behalf.

Installments on shares to be purchased

9. If, by the conditions of allotment of any share, the whole or part of the amount or issue price thereof shall be payable by installments every such installment shall, when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

Commission for placing shares

10. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock of the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shams, debentures, or debenture-stock of the Company, but so that if the commission in respect of shares shall be paid or payable out of capital, the statutory

conditions and requirements shall be observed and complied with; and the amount or the rate of commission shall not exceed five percent of the price at which the shares are issued or two and a half percent of the nominal value of the debentures or debenture-stock in each case subscribed or to be subscribed. The commission may be paid or satisfied in cash or in shares, debentures or debenture-stock of the Company.

Brokerage

11. The Company may pay a reasonable sum of brokerage on any shares or debentures or debenture-stocks.

Liability of joint holders of shares

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

Trusts not recognized

13. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as die absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof. The Board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.

(Substituted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

SHARES

Register and Index of Members

14. The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with details of shares held in material and dematerialised forms in any media as may be permitted by law, including in any form of electronic media. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

(Substituted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

Shares to be numbered progressively and no Share to be sub-divided

15. The shares in the capital shall be numbered progressively according to their several denominations, provided however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialised or may be dematerialised in future or issued in future in dematerialised form. Except in the manner herein before mentioned, no share shall be sub-divided. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.

(Substituted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

Restriction on allotment

16. The Board of Directors shall observe the restrictions as to allotment of shares to the public contained in Sections 69 and 70 of the Act, as the case may be and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.

Acceptance of shares

17. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share 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 shall, for the purposes of these Articles, be a member.

Deposit and calls, etc., to be a debt payable immediately.

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

Liability of members

19. Every Member or his heirs, executors or administrators, shall pay to the Company the proportion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board of Directors shall from time to time and in accordance with the Company's regulations require or fix for the payment thereof.

CERTIFICATES

Certificates

20. The certificates of title to shares shall be issued under the seal of the Company and signed by two Directors and countersigned by the Secretary or some other person as shall from time to time be authorized by the Directors for the purpose. The Company shall have three months time for complying with the requirements of Section 113 of the Act, for the issue of the certificate if the conditions of the issue of any shares so provide.

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

Member's right to certificates

21. Every member shall be entitled free of charge to one certificate for the shares registered in his name, and if he sells part of his holding, to one certificate for the balance; or he may upon paying such fee or free of charge, as the Directors may from time to time determine, have several Certificates, each for one or more shares, provided however, no share certificate (s) shall be issued for shares held in a Depository.

(Substituted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

As to issue of new certificate in place of one

22. If any certificate be worn out, torn, defaced or otherwise multilated or rendered useless, then upon production thereof to the Directors, they may order the same to be cancelled and may issue a new certificate in lieu thereof and if any certificate be lost or

defaced lost or destroyed

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. A sum not exceeding Rupee one as the Directors may determine shall be paid to the Company for every certificate issued under this clause.

To which of joint holder certificate to be delivered

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

CALLS

Calls

24. The Directors may from time to time by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board of Directors. A call may be made payable by instalments.

Calls to be on a uniform basis

25. Any call for share capital shall be made on a uniform basis on all shares falling under the same class. For the purposes of these Articles, shares of the same numerical value on which different amounts have been paid up shall not be deemed to fall under the same class.

When Calls deemed to have been made

26. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed.

Notice of calls

27. Not less than fourteen days notice of every call shall be given specifying the time and place of payment and to whom such call shall be paid. Provided that the Directors may by notice in writing to the members revoke the call or extend the time for payment thereof.

When amount payable

28. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the nominal amount of the share 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 hemin contained in respect of call shall relate to such amount or instalment accordingly.

Directors may extend time

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

When interest on

30. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof or

any such extension thereof, as aforesaid, the holder for the time being of the share in respect of which the call shall have been made, or the installment shall be due, shall pay interest for the same at the rate of Rupees nine per cent per annum from the day appointed for the payment thereof to the time of the actual payment, or at such other rate as the Directors may from time to time determine. The Directors may in their absolute discretion waive the payment of interest under this clause in the case of any person liable to pay such calls.

call or installment payable

31. On the trial or hearing of any action or suit brought by the Company against any member or his legal representatives for the recovery of any money due for any call or other monies in respect of his share, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered is entered in the Register as the holder, or one of the holders, of shares at or subsequently to the date at which the money sought to be recovered is alleged to have become due, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member or his legal representatives sued, in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence on action for call

32. The Board of Directors may, if they think fit, receive from any member willing to advance the same, and either in money or money's worth, all or any part of the capital due upon the shares held by him beyond the sums actually called for; and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the Board of Directors agree upon, and the Board of Directors may at any time repay the monies so advanced upon giving to such member three months' notice in writing. Provided, however, that any amount paid up in advance of calls shall not in respect thereof confer a right to dividend or to participate in profits.

Payment of calls in advance

FORFEITURE AND LIEN

33. If any member fails to pay any call or installment on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve a notice on such member, requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

If call or installment not paid notice may be given

34. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non- payment at or before the time and at the place

Form of notice

appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

If notice not complied with may be forfeited

35. If the requisitions of any such notice as aforesaid are not complied with, any share in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shams as herein provided.

Notice of forfeiture to a member

36. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Forfeited shares to become property of the Company

37. Any share so forfeited shall be deemed to be the property of the Company, and the Directors may sell, re-allot, and otherwise dispose of the same to the original holder thereof or to any other person upon such terms and in such manner as they may think fit.

Power to annul forfeiture

38. The Directors may at any time before any shares so forfeited shall have been sold, re-alloted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they may think fit.

Arrears to be paid notwith-standing forfeiture

39. Any member whose shares have been forfeited shall, notwithstanding, be liable to pay, and shall forthwith pay to the Company all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon, from the time of forfeiture until payment, at such rate not exceeding nine percent per annum as the Directors may determine, and the Directors may enforce the payment thereof if they think fit, but shall not be under any obligation so to do.

Effect of forfeiture

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

Evidence of forfeiture

41. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a

good title to such shares and the person to whom the shares are sold shall be registered as the holder of such shares and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

Company's lien on shares

42. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that clause 13 hereof is to have full effect. And 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.

As to enforcing lien by sale

43. For the purpose of enforcing such lien, the Board of Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his Committee, Curator bonis or other legal representatives, as the case may be, and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice.

Application of proceeds of sale

44. The net proceeds of the sale shall be received by the Company and, after payment of the costs of such sale, shall be applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall be paid to such member, his executors or administrators or assigns or his Committee, Curator bonis or other legal representatives, as the case may be.

Validity of sales under clauses 37 to 43

45. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directions 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 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 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. Upon any such sale as aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

46. No transfer of any share or debenture shall be registered

by the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the share or debenture or if no such certificate is in existence along with a letter of allotment of the share or debenture and the transferor shall be deemed to remain the holder of such share or debenture until the name of the transferee is entered in the Register in respect thereof. Provided that where, on an application in writing made to the Company by the transferee and bearing the stamps required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit. Provided further that nothing in this clause shall prejudice any power of the Company to register as shareholder or debentureholder any person to whom the right to any share in, or debentures of, the Company has been transmitted by operation of law.

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

(Inserted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

Application for transfer

47. [1] An application for the registration of a transfer of the shares or other interest of a member in the Company may be made either by the transferor or by the transferee

[2] Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

[3] For the purposes of sub-clause [2], notice to the transferee shall be deemed to have been duly given if it is despatched by pre paid registered post to the transferee at the address given in the instrument of transfer, and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

Form of transfer

48. The instrument of transfer shall be in writing and all provisions of Section 108 of the Act and statutory modification thereof for the time being shall be duly compiled with in respect of all transfer of shares and registration thereof. 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.

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

48(A)Nothing contained in the foregoing Article shall 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.

(Inserted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

Directors may decline to register transfer

49. Subject to the provisions of Section 111 of the Act or any statutory modification thereof for the time being, the Directors may at any time in their absolute and uncontrolled discretion and without assigning any reason decline to register any proposed transfer of shares or transmission by operation of law of the right to any shares, whether the transferee or transmittee is a member of the Company or not.

Notice of refusal to be given to transferor and transferee

50. If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within two months from the date on which the instrument of transfer or the intimation of transmission was lodged with the Company, send notice of the refusal to the transferee and the transfer or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or of any statutory modification thereof for the time being shall apply.

No transfer to infant, etc.

51. No transfer shall be made to an infant or person of unsound mind.

When transfer to be retained

52. All instruments of transfer which shall be registered shall be retained by the Company, until destroyed by order of the Board of Directors, but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.

Fee on transfer

53. No fee shall be charged for registration of transfer, transmission, etc.

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

When Transfer Books and Register may be closed

54. The Company may on giving 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 Transfer Books and Register of Members or Register of Debentures

for any time or times not exceeding in the whole forty-five days in each year but not exceeding thirty days at a time.

Share of deceased shareholder

55. The executor or administrator of a deceased shareholder (whether a European, Hindu, Mohamedan, Parsi or otherwise) shall be the only person recognised by the Company as having any title to his share except in case of joint holders, in which case the surviving holder or holders or the executor or administrator of the last surviving holder shall be the only person entitled to be so recognised but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him. The Company shall not be bound to recognise such executor or administrator unless he shall have obtained probate or letters of administration or other legal representation, as the case may be, from a duly constituted Court in India or from any Court or authority authorised by any Act of Parliament or of the State Legislature or by any order or notification of the Central or State Government to grant such probate or letters of administration; provided nevertheless that in special cases it shall be lawful for the Directors to dispense with the production of probate or letters of administration or such other legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.

As to transfer of shares of deceased or bankrupt members

56. Subject to the provisions of the last preceding Articles 54 and 55 any person becoming entitled to shares in consequence of the death, lunacy or bankruptcy or insolvency of any member, or by any lawful means other than by a transfer in accordance with these presents upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause, or of his title, as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares, or may, subject to the regulations as to transfers hereinbefore contained, transfer such shares. This clause is hereinafter referred to as "the transmission clause".

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

57. The Company shall incur no liability or responsibility whatever 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.

58. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share, whether or not held in material form.

Register of Transfer

(Substituted by the resolution passed at the Annual General Meeting held on 21st November 1997.)

INCREASE AND REDUCTION OF CAPITAL

59. The Company in General Meeting may, from time to time, increase its share capital by the creation of new shares of such amount as may be deemed expedient.

Power to increase capital

60. Subject to Sections 86 to 92 of the Act and of any statutory modifications thereof for the time being, the new shares shall be issued upon such terms and conditions, and on with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof or any subsequent General Meeting before the issue thereof shall direct, and if no such direction be given, as the Directors shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of the assets of the Company, or otherwise. When capital is increased under this Article, the Directors shall comply on with the provisions of Section 97 of the Act. The Company shall be entitled to dematerialise its existing shares, rematerialise its shares held in the Depositories and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

On what conditions new shares may be issued

(Substituted by the resolution passed at the Annual General Meeting held on 21st November, 1997.)

61. Subject to the provisions of Articles 7 and 60 and subject to any directions to the contrary that may be given by the General Meeting that resolves upon the increase of capital or any subsequent General Meeting, where the Directors decide to increase the capital of the Company by the issue of further shares, such shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit to the Capital paid up on those shares at that date, and such offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer on within which the offer, if not accepted, will be deemed to have been declined; and after the expiration of such time, or on receipt of an earlier intimation from the persons to whom such notice is given that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company; and the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice aforesaid shall contain a statement of this right, but so that the person or persons in whose favour any such shares may be renounced shall be such

New shares to be offered first to members

as the Directors may in their absolute discretion approve of, and in case the Directors may not so approve of any such person the renunciation of any such share in favour of such persons shall not take effect.

When to be offered to existing members

62. In addition to and without derogating from the powers for that purpose conferred on the Directors under Article 7, the Company in General Meeting may determine that any shares (whether forming part of the original capital) to such persons (whether members or holders of debentures of the Company or not) in such proportion to the amount of the capital held by them and on such or of any increased capital of the Company shall be offered in the first instance terms and conditions and (subject to compliance with the provisions of Sections 78 and 79 of the Act) either at a premium or at par or at a discount, as such General Meeting shall determine, or make any other provisions as to the issue and allotment of the new shares, and with full power to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par, or (subject to compliance with the provisions of the Act), at a discount, and such option being exercisable at such times and for such consideration as may be directed by such General Meeting.

How far new shares to rank with shares in original capital

63. Except so far as otherwise provided by the conditions of issue, or by these presents, any capital raised by the creation of new shares shall be considered part of the original ordinary capital, and shall be subject to the provisions herein contained with reference to the payment of call and installments, transfer and transmission, forfeiture, lien; voting and otherwise.

Reduction of capital, etc.

64. The Company may (subject to the provisions of Sections 100 to 105 of the Act) from time to time, by special resolution, reduce its capital and any capital redemption reserve fund or share premium account in any manner and with and subject to any incident authorised and consent required by law.

SUB-DIVISION AND CONSOLIDATION OF SHARES

Sub-division and consolidation of shares

65. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time also sub-divide or consolidate its shares or any of them or cancel shares, which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled, and the Directors may, subject to the provisions of the Act or of any statutory modification thereof for the time being in that behalf, accept surrender of shares.

Sub-division into preferred and ordinary

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

SHARE WARRANTS

Power to issue share warrants

66A. The Company may issue share warrants subject to, and in accordance with the provision of Sections 114 and 115, and accordingly, the Board may in its discretion, with respect to any share which is fully paid, upon application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the person signing the application, and on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

Deposit of share warrant

66B. (1) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending, and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name was inserted in the Register of Members as the holder of the share included in the deposited warrant.

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

(3) The Company shall, on two days' written notice, return the deposited share warrant to the depositor.

Privileges and disabilities of the holders of share warrant

66C. (1) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a member at a meeting of the Company, or be entitled to receive any notice from the Company.

(2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he was named in the Register of Members as the holder of the share included in the warrant and he shall be a member of the Company.

Issue of new share warrant or coupon

66D. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

(66A - 66D Inserted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

MODIFICATION OF RIGHTS

Powers to modify rights

67. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares all or any of the rights and privileges attached to any class may (subject to the provisions of Section 106 and 107 of the Act) be modified, commuted, affected, abrogated or dealt with by the consent in writing of not less than three-fourths of the issued shares of that class, or is sanctioned by a resolution passed at a separate meeting of the holders of shares of that class, and supported by the votes of the holders of not less than three-fourths of the shares of that class, and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis apply to every such meeting, but so that the quorum thereof shall be members holding, or representing by proxy three-fourths of the nominal amount of the issued shares of that class. This clause is not to derogate from any power the Company would have had if this clause were omitted. The power conferred upon the Company by this clause is subject to the provisions of the Act.

BORROWING POWERS

Power to borrow

68. Subject to the provisions of Sections 292 and 293 of the Act, the Board of Directors may, from time to time, at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company not exceeding the aggregate of the paid-up Capital of the Company and its free reserves (not being reserves set apart for any specific purpose). Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aforesaid aggregate, the Board of Directors shall not borrow such moneys without the consent of the Company in General Meeting. No debt incurred by the Company in excess of the limit imposed by this clause 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 this clause had been exceeded.

Conditions on which they may be borrowed

69. The Directors may by a Resolution passed at a meeting of the Board (and not by a Circular Resolution) raise or secure that payment or repayment of such sum or sums, in such manner and upon terms and conditions in all respects as they think fit and in particular, by the issue of bonds, debentures or debenture-stock of the Company or any mortgage, charge or other security upon all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being.

Securities may be assignable free from equities

70. Debentures, debenture-stock, 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., and with special privileges

71. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any special privilege as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Any debentures or debenture-stock issued by the Company shall be subject to the provisions of Section 117 to 123 of the Act or of any statutory modification thereof for the time being. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting.

Register of Debentures to be kept

72. The Board of Directors shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 of the Act in that behalf to be duly complied with, so far as they fall to be complied with by the Board of Directors.

Mortgage of uncalled Capital

73. If any uncalled Capital of the Company is included in or charged by any mortgage or other security, the Board of Directors may, by instrument under the Company's Seal, authorise the person in whose favour such mortgage or security is executed, or any other person in trust for him to make calls on the members in respect of such uncalled Capital and the provisions hereinbefore contained in regard to calls shall, mutatis mutandis, apply to calls made under such authority, and such authority may be made exercisable either conditionally or unconditionally and either presently or contingently and either to the exclusion of the Directors' powers or otherwise, and shall be assignable if expressed so to be.

Indemnity may be given

74. If the Directors or any of them or any other persons, 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, charges 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 persons so becoming liable as aforesaid from any loss in respect of such liability.

GENERAL MEETINGS

Annual or Ordinary General Meeting

75. A General Meeting of the Company, which shall be styled as the Annual General Meeting shall be held once at least in every calendar year. An Annual General Meeting shall be held by the Company within nine months after the expiration of each financial year unless the Registrar shall have extended the time within which any Annual General Meeting shall be held under the provisions of Section 166 (1) (c) of the Act. Not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

Time and place for calling of Annual

76. Every Annual General Meeting shall be called at such time during business hours and on such days (not being a public holiday) as the Directors may from time to time determine; and it shall be held either at the Registered Office of the Company or at

General Meeting

such other place in the city or town in which the Registered Office of the Company may for the time being be situated. The notice of calling any such meeting shall specify it as an Annual General Meeting.

Distinction between Ordinary & Extraordinary Meeting

77. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings

Who may call an Extraordinary General Meeting

78. The Board may, whenever it thinks fit, call an Extraordinary General Meeting. If at any time they are not within India Directors capable of acting who are sufficient in number to form a quorum, any Director or any two members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board at such time and place as he or they may determine.

Calling of Extraordinary General Meeting on requisition

79. The Board of Directors of the Company shall on the requisition of such member or members of the Company as is specified in sub section (4) of Section 169 of the Act, forthwith proceed duly to call an Extraordinary General Meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of Section 169 of the Act and of any statutory modification thereof for the time being shall apply.

Notice of Meeting

80. A General Meeting of the Company may be called by giving not less than twenty-one days' notice in writing. However, a General Meeting may be called after giving a shorter notice than of twenty one days, if the consent is accorded thereto:-

(i) In the case of any 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 per cent or such part of the paid-up share capital of the Company as gives them a right to vote at that meeting.

Provided that where any members of the Company are entitled to vote only on some Resolution or Resolutions to be passed at the meeting and not on the others those members shall be taken into account for the purpose of this Article in respect of the former Resolution or Resolutions but not in respect of the latter.

Contents of notice

81. Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat. No General Meeting, Ordinary or Extraordinary, shall be competent to enter

upon, discuss or transact any business which has not been specifically mentioned in the notice or notices upon which it was convened.

82. (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 Profit and Loss Account and the Report of the Board of Directors and of the Auditors.

(ii) The declaration of dividend.

(iii) The appointment of Directors in the place of those retiring.

(iv) The appointment and the fixing of the remuneration of the Auditors.

In the case of any other meeting all business shall be deemed special.

(b) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting an explanatory statement setting out all material facts concerning each such item of business including in particular, the nature and extent of the interest, if any, therein of every Director/ Managing Agents/Secretaries and Treasurers/ and the Manager of the Company.

(c) Where any item of business to be transacted at any General Meeting of the Company consists of according the approval of the meeting to any document, the time and place where the document can be inspected shall be specified in the explanatory statement.

Service of notice

83. Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act. It shall be given to the persons entitled to the share in consequence of the death or insolvency of a member, by sending through the post in a prepaid letter addressed to them by name or by the title of the 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 unless 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.

Notice to be given to the Auditors

84. Notice of every meeting of the Company shall be given to the Auditor or Auditors for the time being of the Company, in any manner authorised by Section 53 in the case of any member or members of the Company.

As to omission to give notice

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

Resolutions requiring special notice

86. Whereby any provision contained in this Act or in these Articles, special notice is required of any resolution, notice in respect of the same shall be given to the Company and by the Company as provided in Section 190 of the Act.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

87. Five members personally present shall be a quorum for a General Meeting. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business

Chairman of General Meeting

88. The Chairman of the Directors shall be entitled to take the chair at every General Meeting, or, if there be no such Chairman or, if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act, the Directors present may choose one of their number to be Chairman, and in default of their doing so, the members present shall choose a Director as Chairman, and if no Director be present, or, if all the Directors present decline to take the chair, then the members present shall choose one of their number to be the Chairman.

89. No business shall be discussed at any General Meeting, except the election of a Chairman, whilst the chair is vacant.

90. If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of these Articles, the Chairman elected on a show of hands exercising all the powers of the Chairman under the said provisions. If some other person is elected Chairman as a result of the poll, he shall be Chairman for the rest of the meeting.

When if quorum not present meeting to be dissolved and when to be adjourned

91. If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting if convened upon such requisition as aforesaid, shall stand dissolved, but in any other case it shall stand adjourned to the same day in the next week, at the same time and place or to such other day, time and place as the Board may determine, and if at such adjourned meeting a quorum is not present within half an hour from the time appointed for holding the meeting, those members who are personally present shall be a quorum and may transact the business for which the meeting was called.

How questions to be decided at meetings

92. Every question submitted to a General Meeting and every resolution put to the vote of a General Meeting shall, unless a poll is demanded as hereinafter provided be in the first instance decided by a show of hands.

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

93. A declaration by the Chairman in pursuance of the foregoing Article that on a show of hands, a Resolution has or has not been carried, or 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 for poll

94. Before or on the declaration of result of voting on any resolution on a 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 any member or members present in person or proxy and holding shares in the Company -

a. which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution, or

b. on which an aggregate sum of not less than Fifty thousand rupees has been paid up.

The demand for a poll may be withdrawn at any time by person or persons who makes the demand.

(Substituted by a special resolution passed at the A.G.M. held on 20th September 1991)

Time of taking poll

95. (1) A poll demanded on a question of adjournment shall be taken forthwith.

(2) A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in clause 88 hereof) shall be taken at such time not being later than forty eight hours from the time when the demand was made, and at such place in Bombay and either by open voting or by ballot, as the Chairman may direct, and either at once or after an interval or adjournment or otherwise.

Power to adjourn General Meeting

96. The Chairman of a General Meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Chairman to have casting vote

97. In case of an equality of votes on an Ordinary Resolution, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a second or casting vote, as provided in Section 189 of the Act.

Business may proceed not withstanding demand of poll

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

Right of member to use his votes differently

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

Scrutineers at poll

100. (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 section, 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 wiling to be appointed.

Chairman's decision conclusive

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

Documents to be laid and read before Annual General Meeting

102. At every Annual General Meeting of the Company there shall be laid on the table the Directors Report and audited Statement of Accounts, Auditors Report (if not already incorporated in the audited Statement of Accounts), the proxy Register with proxies and the Register of Directors' interests. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Resolutions passed at adjourned meeting

103. Where a Resolution is passed at an adjourned meeting of

(1) the Company; or

(2) the holders of any class of shares in the Company, the Resolution shall, for all purposes, be treated

as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

Registration of certain Resolutions and Agreements

104. A copy of each of the following Resolutions or Agreements shall, within fifteen days after the passing or making thereof, be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar, and the same shall also be embodied in or annexed to every copy of these Articles :

(a) Special Resolution;

(b) Resolution which has been agreed to by all the members of the Company; but which if not so agreed it would not have been effective for the purpose unless it had been passed as Special Resolution;

(c) Resolution of the Board or Agreement relating to the appointment, reappointment or the renewal of the appointment or variations of the terms of appointment of a Managing Director;

(d) Agreement relating to the appointment, re-appointment or the renewal of the appointment of a Managing Agent or Secretaries and Treasurers for the Company, or varying the terms of any such Agreement;

(e) Resolution or Agreement agreed to by all the members of any class of shareholders and all Resolutions or Agreements which effectively bind all the members of any class of shareholders though not agreed to by all those members;

(f) Resolution for voluntary winding-up of the Company.

Minutes of General Meeting

105. The Company shall cause Minutes of all proceedings of General Meeting to be entered in the book kept for that purpose and the minutes shall contain and include the matters specified in Section 195 of the Act. No 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 proceedings of such meeting.

Inspection of Minute Books of General Meetings.

106. Inspection of the book containing the aforesaid minutes shall be kept and be open to the inspection of any member without charge as provided in Section 193 of the Act and he shall be furnished with a copy of any Minutes in accordance with the terms of that section

VOTES OF MEMBERS

Voting rights

107. Subject to Section 90 of the Act, the voting rights of the members shall be as follows :

(a) On a show of hands every member of the Company holding equity share capital therein and present in person shall have one vote on every Resolution or question placed before the Company and upon a poll his voting right shall be in proportion to his share of the paid-up equity capital of the Company.

(b) Subject as aforesaid, and save as provided in clause (c) of this Article, every member of the Company holding any preference share capital shall, in respect of such capital, have a right to vote only on Resolutions or questions placed before the Company which directly affect the rights attached to his preference shares. Any Resolution for winding-up the Company or for the repayment or reduction of its share capital shall be deemed directly to affect the rights attached to preference shares within the meaning of this clause.

(c) Subject as aforesaid, every member of the Company holding any preference share capital shall, in respect of such capital, be entitled to vote on every Resolution or question placed before the Company at any meeting, if the dividend due on such capital or any part of such dividend has remained unpaid:-

(i) in the case of cumulative preference share, in respect of a period not less than two years proceeding the date of commencement of the meeting, and

(ii) in the case of non-cumulative preference shares, either in respect of a period of not less than two years ending with the expiry of the financial year immediately proceeding the commencement of the meeting or in respect of an aggregate period of not less than three years comprised in the six years ending with the expiry of the financial year aforesaid.

For the purpose of this clause, dividend shall be deemed to be due on preference shares in respect of any period, whether a dividend has been declared by the Company on such shares for such period or not

(i) on the last day specified for the payment of such dividend for such

period in these Articles or other instrument executed by the Company in that behalf, or

(ii) in case no day is so specified, on the day immediately following such period;

(d) Where the holder of any preference share has a right to vote on any Resolution or question in accordance with the aforesaid provisions of this Article, on a show of hands he shall, if present in person, have on vote, and upon a poll he shall as the holder of such share, whether present in person or by proxy, have a voting right in the same proportion as the capital paid up in respect of the preference share bears to the total paid-up equity capital of the Company.

(e) In case the Company may accept from any member the whole or a part of the amount remaining unpaid on any shares (whether equity or preference shares) held by him, although no part of the amount has been called up, the member shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

(f) In the case of any shares issued before the commencement of the Act, the aforesaid provisions of this Article shall not affect any voting rights attached to the shares, save as otherwise provided in Section 89 of the Act or any right attached to the shares as to dividend, Capital or otherwise.

Represent-ation or corporations at meetings of companies and of creditors

108. (a) A body corporate (whether a Company within the meaning of the Act or not) may, if it is a member of the Company by Resolution of its Board of Directors or other governing body, authorise such person as it thinks fit, to act as its representative at any meeting of the Company, or at any meeting of any class of members of the Company. If such body corporate be a creditor (including a holder of debentures) of the Company, it may by Resolution of its Directors or other governing body, authorise such person as it thinks fit, to act as its representative at any meeting of any creditors of the Company held in pursuance of the Act or of any Rules made thereunder, or in pursuance of the provisions contained in any Debenture or Trust Deed, as the case may be.

(b) A person authorised by a Resolution as aforesaid, shall be entitled to exercise the same rights and

powers (including the right to vote by proxy) on behalf of the body corporate which' he represents as that body could exercise if it were a member, creditor or holder of debentures of the Company.

How members non compos mentis and minor may vote

109. A member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy; if any member be a minor, the vote in respect of his share shall be by his guardian or any one of his guardians, if more than one, to be elected in case of dispute by the Chairman of the meeting.

Votes in respect of shares of deceased and bankrupt members

110. Any person entitled under the transmission clause to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors or any person authorised by the Directors in that behalf of his right to transfer such shares, or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Joint holders

111. Where there are joint registered holders of any share, any of such persons may vote at any meeting either personally 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, that one of the said persons so present whose name stands first or higher on the Register in respect of such share shall alone be entitled to vote or speak in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof.

Proxies permitted

112. Votes may be given either personally or by proxy, or, in the case of a company or other corporation, by a representative duly authorised as aforesaid.

Instrument appointing proxy to be in writing

113. The instrument appointing a proxy shall be in writing, under the hand of the appointor or of his attorney duly authorised in writing or, if such appointor is a corporation, under its common seal or the hand of an officer or an attorney duly authorised by it. A person may be appointed a proxy though he is not a member of the Company. A proxy appointed as aforesaid shall not have any right to speak at any meeting.

114. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company

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

Instrument appointing proxy to be deposited at office

116. A vote given in accordance with the term of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or any power of authority under which such proxy was signed or transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation, or transfer shall have been received at the office or by the Chairman of the meeting of the vote is given.

When vote by proxy valid though authority revoked

117. An instrument appointing a proxy shall be in either of the forms in Schedule IX of the Act or a form as near thereto as circumstances admit.

Form of instrument of proxy

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

118. Every member entitled to vote at a meeting of the Company according to the provisions of Article 107 hereof, or on any Resolution to be moved thereat, shall be entitled during the period beginning twenty- four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

Time and place to inspect the proxies lodged

119. No member shall be entitled to be present, or to voce on any question, either personally or by proxy, or as proxy for another member, at any General Meeting, or upon a poll, or be reckoned in a quorum whilst any call or other sum presently payable by him in respect of any of the shares of such member shall be due and payable to the Company or in regard to any shares on which the company has and has exercised any right of lien

No member entitled to vote etc., any call due to company

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

Time for objection of votes

DIRECTORS

121. Until otherwise determined by a General Meeting and subject to Section 252 of the Act, the number of Directors shall not be less than 3 (three) nor more than 12 (twelve) excluding any Debentures and Special Directors

Number of Directors

Special Directors

122. The Company shall, subject to the provisions of the Companies Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors of the Company.

Term of office of Special Directors

123. The Special Directors appointed under the last preceding Article 122 shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation or be subject to Articles 140, 141 and 149 of the Articles of Association of the Company. A Special Director shall not require any qualification. As and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who appointed such Special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

Debenture Director

124. Any Trust Deed securing and covering the issue of Debentures of the Company may provide for the appointment of a Director (in these presents referred to as “the Debenture Director”) for and on behalf of the debenture-holders for such period as is therein provided not exceeding the period for which the debentures or any of them shall remain outstanding and for the removal from office of such Debenture Director and on a vacancy being caused whether by resignation, death, removal or otherwise, for appointment of a Debenture Director in the vacant place. The Debenture Director shall not be liable to retire by rotation or be removed from office except as provided as aforesaid. The Debenture Director shall not be bound to hold any qualification shares.

Appointment of Alternate Director

125. The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called “the Original Director”) during his absence for a period of not less than three months from the State of Bombay. An Alternate Director appointed under this Article shall vacate office if and when the Original Director returns to the State of Bombay. If the term of office of the Original Director is determined before he so returns to the State of Bombay, any provision in the said Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Directors may fill up vacancies and add to their number

126. Subject to the provisions of Sections 260, 261, 262, 280 and 284(6) of the Act, the Board of Directors shall have power, at any time, and from time to time to appoint any person to be a Director, either as an addition to the Board or to fill a casual vacancy occurring on account of the office of any Director appointed

by the Company in General Meeting being vacated before his term of office would expire in the normal course, but so that the total number of Directors shall not at any time exceed the maximum fixed as above. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next Annual General Meeting, but shall be eligible for re-election at such meeting. Any person appointed to fill a casual vacancy as aforesaid shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

Qualification of Directors

127. A Director of the Company shall not be required to hold any share qualification.

Remuneration of Director

128. The fees payable to a Director for attending a meeting of the Board or a Committee of the Board shall be decided by the Board of Directors from time to time within the maximum limits of such fees that may be prescribed under the provisions of Section 310 of the Act or in excess thereof with the approval of the Central Government or if not so prescribed, in such manner as the Directors may, decide from time to time in conformity with the provisions of law. Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, the directors shall be paid such transfer remuneration (if any) as the Company in General Meeting shall from time to time determine

(Substituted by a special resolution passed at the A.G.M. held on 20th September, 1991)

Special remuneration of Director performing extra service

129. Subject as mentioned in Article 128 hereof if any Director be called upon to perform extra services or make any special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors) the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts, either by a fixed sum or a percentage of profits or otherwise as may be determined by the Board, and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Travelling expenses incurred by Director not a bonafide resident of Bombay or by Director going out of Bombay on Company's business

130. The Board of Directors may allow and pay to any Director, who is not a bonafide resident of Bombay and who shall come to Bombay for the purpose of attending a meeting, such sum as the Board may consider fair Compensation for his travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or reside out of Bombay on the Company’s business, he shall be entitled to be paid and reimbursed any travelling or other expenses incurred in connection with the business of the Company.

Directors may act not

131. The continuing Directors may act notwithstanding any vacancy in their body, but so that if and so long as their number

withstanding vacancy

falls below the number above fixed, the continuing Directors shall not, except in emergencies or for the purpose of increasing the number of Directors to that number or filling up vacancies or of summoning a General Meeting of the Company, act so long as the number is below the minimum

When office of Director to be vacated

132. Subject to Sections 283(2) and 314 of the Act the office of a Director shall be vacated if :

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

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

(c) he is adjudged an insolvent; or

(d) he fails to pay any call made on him 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 has by notification in the Official Gazatte removed the disqualification incurred by such failure; or

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

(f) he becomes disqualified by an Order of Court under Section 203 of the Act; or

(g) he is removed in pursuance of Section 284 of the Act; or

(h) he 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; or

(i) he acts in contravention of Section 299 of the Act; or

(j) he is convicted by a Court of an offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or

(k) 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

(l) he resigns his office by a notice in writing addressed to the Company.

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

Director may contract with Company

133. Except with the consent of the Board of Directors by a Resolution passed at its Meeting before the contract is entered into or within two months of the date on which it was entered into, a Director or his relative, a firm in which such Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director shall not enter into any contract with the Company for the sale, purchase or supply of goods, materials, services or for underwriting the subscription of any shares in or debentures of the Company. No such consent, however, shall be necessary to any such contract or contracts for the sale, purchase or supply of goods, materials or services in which either the Company or the Director, firm, partner or private company, as the case may be, regularly trades or does business, provided that the value of such goods and materials and the cost of such services do not exceed Five Thousand Rupees in the aggregate in any calendar year comprised in the period of the contract or contracts. The Director so contracting or being so interested, shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

Disclosure of interest

134. Every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors. In the case of a proposed contract or arrangement, the disclosure required to be made by a Director as aforesaid shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested. In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.

General notice of disclosure of interest

135. For the purposes of the foregoing Article 134 hereof, a general notice given to the Board of Directors by a Director to the effect that he is a director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest

in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice, and no renewal thereof, shall be of effect unless, either it is given at a meeting of the Board of Directors, or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

Interested Director not to participate in Board's proceedings

136. No Director shall, as a Director, take any part in the discussion of or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided that the Board of Directors, or any of its number, may vote on any contract of indemnity against loss which it or any one or more of its number may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into with a public company, or a private company which is a subsidiary of a public company, in which the interest of the Director aforesaid consists solely in his being a Director of such company and the holder of not more than shares of such number or value therein, as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such Director by the Company. This Article is subject to the provisions of Sub-section (2) (e) of Section 300 of the Act.

Register of contracts in which Directors are interested

l37. The Company shall keep a register in accordance with Section 301 of the Act, and shall enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act, as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Articles 134 or Article 135 hereof. The Register shall be kept at the Registered Office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

Directors may be directors of companies promoted by the Company

138. A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise, and no such Director shall be accountable for any benefits received as Director or Shareholder of such company except in so far as Section 309(6) of Section 314 of the Act may be applicable.

Disclosure to members in case of contract appointing a Manager

139. Whenever the Company enters into a contract for the appointment of a Manager or Managing Director of the Company in which contract any Director of the Company is directly or indirectly concerned or interested, or varies any such existing contract the Company (in accordance with Section 302 of the Act) shall within twenty-one days from the date of entering into the contract or the varying of such contract send an abstract of the terms of such contract or variations, as the case may be together with a memorandum clearly indicating the nature of the interest of the Director in such contract, or in such variation, to every member of the Company, and the contract shall be open to the inspection of any member at the office, and in this connection all the other provisions of Section 302 of the Act shall be duly complied with.

(Amended vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

ROTATION OF DIRECTORS

Rotation and retirement of Directors

140. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office. The retiring Director shall retain his office until dissolution of the meeting at which his successor is elected.

Ascertainment of Directors retiring by rotation and filling of vacancies

141. Subject to Section 284(5) of the Act, the Directors to retire by rotation under the foregoing Article 140 at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

Eligibility for re-election

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

Company to appoint successors

143. Subject to the provisions of Sections 258, 259, 161, 281 and 284 of the Act, the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Provisions in default of appointment

144. (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 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 the 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,

Single Resolution for the appointment of several Directors prohibited

145. At a General Meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company, by a single Resolution, unless a Resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it, and the provisions of Section 263 of the Act in this behalf shall apply in all respects.

146. Deleted

(Deleted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

Company may increase or reduce the number of Directors

147. Subject to Sections 252, 255 and 259 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, within the limits fixed in that behalf by these Articles, and may alter their qualification.

Removal of Directors

148. The Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Notice of candidature of Director expect in certain cases

149. No person, not being a retiring Director, shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has at least fourteen clear days before the meeting, left at the office a notice in

writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a candidate for that office, as the ease may be 'alongwith a deposit of Rs. 500/- (Rupees Five hundred only) or such sum as may be prescribed for the time being by the Act, which shall be returned only after he is elected as a Director' and unless he has by himself or by his agent authorised in writing signed and filed with the Registrar of Companies a consent in writing to act as such Director.

(Substituted by a special resolution passed at the A.G.M. held on 20th September, 1991)

PROCEEDINGS OF THE BOARD OF DIRECTORS

Meetings of Directors

150. The Directors may meet together as a Board for the despatch of business from time to time, and shall so meet at least once in every three calendar months and they may adjourn and otherwise regulate their meetings and proceedings as they may think fit.

When meeting to be convened

151. A Director may at any time and the Secretary, upon the request of a Director, shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India, and at his usual address in India to every other Director.

Quorum

152. Subject to Section 287 of the Act, the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, shall be the quorum during such time.

Adjournment of Meeting for want of quorum

153. If a meeting of the Board cannot be held for want of quorum, then the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix.

Chairman D eputy Chairman

154. The Directors may from time to time elect two of their members to be Chairman and Deputy Chairman of the Board and determine the period for which they are to hold office. If at any meeting of the Board, the Chairman is not present at the time appointed for holding the same, the Deputy Chairman, if present, shall preside over the meeting, failing him, the Directors present shall choose one of their number to be chairman of such meeting.

Questions at Board meetings how decided

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

Powers of Board Meeting

156. A meeting of the Board of 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 which by or under the Act or the Articles or the Regulations of the Company are for the time being vested in or exercisable by the Board of Directors generally.

Directors may appoint committees, and power to delegate

157. Subject to the restrictions contained in Section 292 of the Act, the Board of Directors may delegate any of their powers, to Committees of the Board consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committees of the Board, either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

Meetings of committees how to be governed

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

Resolution by circular

159. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the Resolution has been circulated in draft together with the necessary papers, if any, to all the Directors, or to all the members of the committee, then in India (not being less in number than the quorum for a meeting of the Board of Committee, as the case may be), and to all other Directors or members of the committee, at their usual address in India and has been approved by such of the Directors or members of the committee as are then in India, or by a majority of such of them as are entitled to vote on the Resolution.

Acts of Board or Committees valid notwithst-anding informal appointment

160. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or committee or person acting as aforesaid, or that they or any of them were disqualified or had vacated office, or that the appointment of any of them was terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person has been duly appointed, and was qualified to be a Director and had not vacated office or his appointment had not been terminated. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

Minutes of proceedings of Directors and Committees to be kept

161. The Company shall cause minutes to be duly entered in a book or books provided for the purpose -

(i) of the names of the Directors present at such meetings of the Board of Directors, and of any Committee of the Board;

(ii) of all orders made by the Board of Directors and Committee of the Board and of all appointments of officers and Committees of Directors.

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

(iv) in the case of each resolution passed at the meeting of the Board of Directors or Committees of the Board, the names of Directors, if any, dissenting from or not concurring in the Resolution.

Any such minutes of any meeting of the Board of Directors or of any Committee of the Board or of the Company, if purporting to be signed by the Chairman of such meeting or by the Chairman of the next succeeding meeting, shall be received as prima facie evidence of the matters stated in such minutes.

Disclosure by Director of holding of shares and debentures of the Company, etc.

162. (a) Every Director (including a person deemed to be Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager, or Secretary of the Company shall within twenty days of his appointment to any of the above office in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under-sub-section (2) of Section 303 of the Act.

(b) Every Director and every person deemed to be a Director of the Company by virtue of Sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that section.

Registers, Books and Documents to be maintained by the Company

163. The Company shall maintain the following Registers, Books and Documents, namely :

(a) Register of Investments not kept in Company's names, according to Section 49 of the Act.

(b) Register of Mortgages and Charges, according to Section 143 of the Act.

(c) Register of Members according to Section 150 of the Act.

(d) Register or Index of Debenture-holders, according to Section 152 of the Act.

(e) Register of Contracts, Companies and Firms in which Directors are interested, according to Section 301 of the Act.

(f) Register of Director's and Managers according to Section 303 of the Act.

(g) Register of Directors' shareholding according to Section 307 of the Act.

(h) Register of Inter-corporate Loans and Investments according to Section 372A of the Act.

(i) Books recording minutes of all proceedings of General Meetings, and of all proceedings at the meeting of its Board of Directors or of Committees of the Board, in accordance with the provisions of Section 193 of the Act.

(j) Books of Account in accordance with the provisions of Section 209 of the Act.

(k) Copy of Instrument creating any charge requiring registration, according to Section 136 of the Act.

(l) Index of Members, according to Section 151 of the Act.

(m) Copies of Annual Returns prepared under Sections 159 and 160 of the Act together with the copies of certificates and documents required to be annexed thereto under Sections 160 and 161.

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

Inspection of Registers, etc.

164. The said Registers, books and documents shall be kept open for inspection by such persons as may be entitled thereto respectively under the Act on such days and during such business hours as may, consistently with the provisions of the Act in that behalf, be determined by the Company in General Meeting.

POWERS OF DIRECTORS

Powers of Directors

165. The management and control of the business of the Company shall be vested in the Directors who may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any statutory modification thereof for the time being in force or by any other Act or by the Memorandum or by these Articles, required to be exercised by the Company in General Meeting, subject nevertheless to any of these Articles, to the provisions of the Act, or any statutory modification thereof for the time being in force, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board of Directors 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 one 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 sale proceeds resulting from the acquisition, without the consent of the Company, of any such undertaking as is referred to in above item (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 money where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) 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, 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 Act during the three financial

years immediately proceeding, whichever is greater.

Provided further that the powers specified in Section 292 of the Act shall be exercised only at meetings of the Board but the same be delegated only to the extent therein stated.

Certain powers of the Board

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

To pay commission and interest

(1) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 of the Act.

To purchase property, etc.

(2) Subject to Sections 292, 297 and 360 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory

To pay for property in debentures, etc.

(3) At their discretion and subject to the provisions of the Act, 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, mortgages 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, mortgages, 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.

To secure contracts by mortgage.

(4) To secure the fulfillment of any contracts, agreements or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

To accept surrender of shares

(5) To accept from any member, so far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed

(6) 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 required in relation to any such trust, and to provide for the remuneration of such trustee or trustees. — To appoint Trustees

(7) To institute, conduct, defend, compound, or abandon legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the Company, and to refer any claims or demands by or against the Company or any differences to arbitration, and observe and perform any awards made thereon. — To bring and defend etc.

(8) To act on behalf of the Company in all matters relating to bankrupts and insolvents. — To act in matters relating to bankrupts, etc

(9) To make and give receipts, releases, and other discharges for moneys payable to the Company and for the claims and demands of the Company — To give receipts

(10) Subject to the provisions of Sections 77, 292, 293 (1), 295, 369, 370, 372, 372A and 373 of the Act to invest and deal with any moneys of the Company not immediately required for the purposes thereof, upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in Company's own name. — To invest moneys

(Amended vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

(11) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit; and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. — To give security by way of indemnity

To authorise acceptances, etc

(12) 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, and to give the necessary authority for such purpose.

To give bonus or commission

(13) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company.

To provide for welfare of Director, employees, etc. and to subscribe to charity etc.

(14) To provide for the welfare of the Directors of Ex-Directors or the employees or ex-employees of the Company and the wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board of Directors shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise.

To establish and preserve fund

(15) Before recommending any dividend, to set aside, out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture stock, or for special dividends or for equalising dividends, or for repairing, improving, extending and maintaining any of the property of the Company, and for such other purposes (including the purposes referred to in the preceding clause), as the Board of Directors may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so

much thereof as is required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose 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 Board of Directors, in their absolute discretion, think conducive in the interest of the Company notwithstanding that the matters to which the Board of Directors apply or upon which they expand the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board of Directors may 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 the purchase or repayment of debentures or debenture-stock, and that without being bound to keep the same separate from the other assets, and without being bound to pay interest on the same, with power however to the Board of Directors at their discretion to pay or allow to the credit of such funds interest at such rate as the Board of Directors may think proper, not exceeding nine per cent, per annum.

(16) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its Officers and servants. May make by-laws

(17) To appoint, and at their discretion remove or suspend such managers, secretaries, officers, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries, emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provisions contained in three next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause. To appoint servants

(18) 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. Local Laws

Local Board

(19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards or any managers or agents and to fix their remuneration.

Delegation

(20) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board of Directors, other than their power to make calls or loans or to borrow moneys and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annul or vary any such delegation.

Power of Attorney

(21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the power to make calls an excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board established as aforesaid or in favour of any company, or the shareholders, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board of Directors, and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board of 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.

May make contracts, etc.

(22) Subject to Sections 294, 297 and 300 of the Act, for

or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.

MANAGING DIRECTORS

Power to appoint Managing Directors

167. Subject to the provisions of Sections 267, 268, 269, 309, 310, 311, 316 and 317 of the Act, 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 not exceeding five years at a time 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 remove or dismiss him or them from office and appoint another or others in his or their place or places.

What provisions he will be subject to

168. A Managing Director shall not while he continues to hold that office be subject to retirement by rotation and he shall not be taken into account in determining the rotation of retirement of Directors or the number of Directors to retire but he shall, subject to the terms of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and if he ceases to hold the office of Directors of the Company and if he ceases to hold the office of Director from any cause shall ipso facto and immediately cease to be a Managing Director.

Remuneration of Managing Director

169. The remuneration of a Managing Director shall from time to time be fixed by the Directors and may be by way of salary or commission or participation in profits or by any or all of these modes or in any other form and shall be subject to the limitations prescribed in Sections 198 and 309 of the Act.

Powers and duties of Managing Directors

170. Subject to the restrictions contained in the next succeeding Article, 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 Articles 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, withdraw, alter or vary all or any of such powers. Unless and until otherwise determined, a Managing Director may exercise all the powers exercisable by the Directors save such powers as by the Act or by these Articles shall be exercisable by the Directors themselves.

Management

171. The Managing Director or Managing Directors shall not exercise the powers to -

(1) make calls on shareholders in respect of moneys unpaid on the shares in the Company;

(2) issue debentures; and

(3) except as may be delegated by the Board under Section 292 of the Act, invest the funds of the Company or make loans and borrow moneys.

Certain persons not to be appointed Managing Directors

172. The Company shall not appoint or employ, or continue the appointment or employment of, any person as its Managing or wholetime Director who

(a) is an undischarged insolvent, or has at any time been adjudged an insolvent;

(b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made, a composition with them; or

(c) is or has at any time been, convicted by a Court in India of an offence involving moral turpitude

Whole Time Director

172A. The provisions of the Articles 167 to 172 shall mutatis mutandis apply to the Whole Time Directors of the Company.

(Inserted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

"Articles 173 to 181" deleted.

(Deleted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

THE SECRETARY

Secretary may be appointed

182. The Directors may from time to time appoint, and at their discretion remove, a person (hereinafter called "the Secretary") to perform any other functions which by the Act or the Articles for the time being of the Company are to be performed by the Secretary, and to execute any other duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the Registers required to be kept by the Company.

183. deleted.

(Deleted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

THE SEAL

184. The Board of Directors shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board of Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board of Directors or a Committee of the Board previously given in the presence either (a) of one Directors or (b) the Secretary or some other person appointed by the Board / Committee of the Board for the purpose. — The Seal, its custody and use.

185. Every Deed or other instrument to which the Seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney, be signed either (a) by one Directors or (b) by the Secretary or such other person as the Board / Commitee of the Board may appoint for this purpose. — Deeds how executed

(Substituted vide special resolution passed at the Annual General Meeting held on 11th August, 2011)

186. Save as otherwise expressly provided by the Act, a document or proceeding requiring authentication by the Company may be signed by a Director, the Managing Agents, the Secretaries and Treasurers, the Manager, the Secretary or other authorised officer of the Company and need not be under its Common Seal. — Authentication of documents and proceedings

ANNUAL RETURNS

187. The Company shall make the requisite annual returns in accordance with Sections 159 and 161 of the Act. — Annual returns

DIVIDENDS

188. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital called up on the shares held by them respectively. — Division of profits

189. The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and may fix the time for payment but no dividends shall exceed the amount recommended by the Board of Directors. — The Company in General Meeting may declare a dividend

190. No dividends shall be paid otherwise than out of profits of the year or any other undistributed profits and no dividend shall carry interest as against the Company. The declaration of the Board of Directors as to the amount of the profits of the Company shall be conclusive. — Dividends only to be paid out of profits

191. The Board of Directors may, from time to time, pay to the members interim dividend as in their judgment the position of the Company justifies. — Interim dividend

192. Where capital is paid in advance of calls upon the footing — Capital paid up in advance at

interest not to earn dividend

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

193. 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.

Retention of dividends until completion of transfer under transmission Article

194. The Board of Directors may retain the dividends payable upon shares in respect of which any person is, under transmission Article entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.

No member to receive dividend whilst indebted to the Company and Company's right of reimbursement thereout.

195. No members 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 or otherwise howsoever, either alone or jointly with any other person or persons; and the Board of Directors may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

Transfer of shares must be registered

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

Dividend to joint holders

197. Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payment on account of dividends in respect of such shares.

Dividends how remitted

198. Unless otherwise directed any dividend may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant, sent through the post to the registered address of the member or person entitled or in case of joint holders to that one of the first named in the Register in respect of the joint holding. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any payslip or receipt or the fraudulent recovery of the dividend by any other means.

Unclaimed dividend

199. Unclaimed Dividend will be dealt with in accordance with the provisions of Sections 205A, 205B and 205C and other provisions, if any, of the Act as may be applicable from time to time in respect of transfer /payment of Unpaid Dividend Account and transfer to Investor Education & Protection Fund. Subject to

the provisions of Sections 205 to 208 of the Act, no unpaid dividend shall bear interest as against the Company.

(Substituted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

Special provision in reference to dividends

200. Any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend, wholly or in part, by the distribution of specific assets, and in particular of paid-up shares, debentures or debenture-stock of the Company or of any other Company, or in any one or more of such ways.

Capitalisation

201. Any General Meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Fund, or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the share premium account be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the Resolution may provide, any unissued shares or debentures or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares or debentures or debenture-stock, and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum.

Surplus Moneys

202. A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments, representing the same, or any other undistributed profits of the Company not subject to charge for Income-tax, be distributed among the members on the footing that they receive the same as capital.

Fractional

203. For the purpose of giving effect to any resolution under the last two preceding Article, the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient, and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets and may determine that cash payments shall be made to any member upon the footing of the value so fixed or that fractions of less value than Rs.10 may be disregarded in order to adjust the rights of all parties and may vest any any such cash or specific assets in Trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Directors. Where requisite, a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Act, and the Directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective

Dividend and call together

204. Any General Meeting declaring a dividend may make a call on the members of such amount as the meetings 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.

Interest on capital raised for construction, etc

205. The Directors may pay interest on capital raised for the construction of works or buildings or the provision of any plant which cannot be made profitable for a lengthy period, when and so far as they shall be authorised so to do by and in accordance with Section 208 of the Act.

ACCOUNTS

Books of account to be kept

206. (a) The Directors shall cause true accounts to be kept of all sums of money received and expended by the Company and the matters in respect of which such receipts and expenditure takes place, of all sales and purchase of goods by the Company, and of the assets, credits and liabilities of the Company.

(b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transactions effected at that office shall be kept at that office, and proper summarised returns, made upto date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or other place in India as the Board thinks fit where the main books of the Company are kept.

(c) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office, as the case may be, with respect to the matters aforesaid, and explain its transactions.

(d) The books of account shall be open to inspection by any Director during business hours.

(e) Any contravention of Section 209 of the Act with regard to the above matters may expose a Director or other persons referred to therein to a fine as therein provided

Where to be kept

207. The books of account shall be kept at the office or at such other place as the Directors think fit.

Inspection by Members

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

ACCOUNTS AND BALANCE SHEET

Statement of Accounts to be furnished to General Meeting

209. At least once in each year, the Board of Directors shall lay before an Annual General Meeting of the Company a Profit and Loss Account and a Balance Sheet, containing a summary of the property and assets, and of the Capital and liabilities of the Company, made up to a date not earlier than the date of the meeting by more than nine months or such extended period as may be permitted under the Act.

Balance Sheet and Profit and Loss Accounts

210. (a) Subject to the provisions of Section 211 of the Act, every Balance Sheet and Profit and Loss Account of the Company, shall be in the Forms set in Parts I and II respectively of Schedule VI to the Act, or as near thereto as circumstances admit.

(b) Any reference to benefits expected from contracts not executed, shall not be made in the Balance Sheet but shall be made in the Board's Report.

(c) If in the opinion of the Board, any of the current assets of the Company have not a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that opinion shall be stated.

AUDIT

Accounts to be audited

211. Every Balance Sheet and Profit and Loss Account or Income and Expenditure Account shall be audited by one or more Auditor's to be appointed as hereinafter mentioned.

Audit provisions

212. (1) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting.

(2) At any Annual General Meeting, a retiring Auditor, by whatso-ever authority appointed, shall be re-appointed, unless -

(a) he is not qualified for re-appointment;

(b) he has given the Company notice in writing of his unwillingness to be re-appointed;

(c) A Resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed; or

(d) where notice has been given of an intended Resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those

persons, as the case may be, the Resolution cannot be proceeded with.

(3) Where at an Annual General Meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.

(4) The Company shall, within seven days of the Central Government's power under sub-clause (3), becoming exercisable, give notice of that fact to that Government.

(5) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act, but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in General Meeting.

(6) A person, other than a retiring Auditor, shall not be capable of being appointed at an Annual General Meeting unless special notice of a Resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than twenty-eight days before the meeting in accordance with Section 190 of the Act, and the Company shall send a copy of any such notice to the retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act, and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a Resolution that a retiring Auditor shall not be re-appointed.

Qualification and disqualification of Auditors

213. (1) The persons qualified for appointment as Auditors shall be only those referred to in Section 226 of the Act.

(2) None of the persons mentioned in Section 226 of the Act to be not qualified for appointment as Auditors shall be appointed as Auditors of the Company

Remuneration of Auditors

214. The remuneration of the Auditors shall be fixed by the Company in General Meeting; except that the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Directors.

Rights and duties of Auditors

215. (1) Every Auditor of the Company shall have a right of access at all times to the books and vouchers of the Company and shall be entitled to require from

the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.

(2) All notices of, and other communications relating to, any General Meeting of a Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditor of the Company; and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor.

(3) The Auditor shall make a report to the members of the Company on the accounts examined by them and on every Balance Sheet and Profit and Loss Account, and on every other document declared by this Act to be part of or annexed to the Balance Sheet or Profit and Loss Account, which are laid before the Company in General Meeting during his tenure of office, and the report shall state whether, in his opinion and to the best of his information and according to the explanations given to him, the said accounts give the information required by the Act in the manner so required and give a true and fair view -

(i) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year, and

(ii) in the case of the Profit and Loss Account, of the profit or loss for its financial year.

(4) The Auditor's Report shall also state -

(a) Whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purposes of his audit;

(b) Whether, in his opinion, proper books of account as required by law have been kept by the Company so far as appears from his examination of those books, and proper returns adequate for the purposes of his audit have been received from branches not visited by him.

(c) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the report are in agreement with the books of account and returns.

(5) Whether any of the matters referred to in Clauses (i) and (ii) of Sub-section (3) or in Clauses (a), (b) and (c) of sub-section (4) is answered in the negative or with a qualification, the Auditor's Report shall state the reason for the answer.

Audit of accounts of branch office of Company

216. (1) If the Company shall have a branch office, the accounts of that office shall, unless the Company in General Meeting decides otherwise, be audited by a person qualified for appointment as Auditor of the Company under Section 226 of the Act, or where the branch office is situate in a country outside India, either by a person qualified as aforesaid or by an accountant duly qualified to act as an Auditor of the accounts of the branch office in accordance with the laws of that country.

(2) If the accounts of any branch office are not so audited, the Company's Auditor -

(a) shall be entitled to visit the branch office, if he deems it necessary to do so for the performance of his duties as Auditor, and

(b) shall have a right of access at all times to the books and accounts and vouchers of the Company maintained at the branch office.

Signature of Audit Report etc.

217. Only the person appointed as Auditor of the Company, or if a firm is so appointed in pursuance of the proviso to sub-section (1) of Section 226 of the Act, only a partner in the firm practising in India, may sign the Auditor's Report, or sign or authenticate any other document of the Company required by law to be signed or authenticated by the Auditor.

Reading and inspection of Auditor's Report

218. The Auditor's Report shall be read before the Company in General. Meeting and shall be open to inspection by any member of the Company.

When account to be deemed finally settled

219. Every account of the Directors when audited and approved by a General Meeting shall be conclusive except as regards any error discovered therein within three months next after the approval there of Whenever any such error is discovered within that period the account shall forthwith be corrected and henceforth shall be conclusive.

NOTICES

Notice to be served on members

220. (1) A notice may be given by the Company to 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 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, pre-paying and posting a letter containing the notice, provided that where a member has intimated to the Company in advance that notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the notice shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

(b) unless the contrary is proved, such service shall be deemed to have been effected at the expiration of forty-eight hours after the letter containing the notice is posted.

Notice to members having no registered address

221. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a notice advertised in a newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be duly given to him on the day on which the advertisement appears.

Notice to joint holders

222. A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder named first in the Register in respect of shares.

Notice to persons acquiring shares on death or insolvency of member

223. A notice may be given by the Company 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 notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Persons entitled to notice of General Meetings

224. Notice of every General Meeting shall be given in some manner hereinbefore authorised to (a) every member of the Company except those members who (having no registered address within India) have not supplied to the Company an address within India for the giving of notices to them and also to (b) every person entitled to a share in consequence of the death or insolvency of a member who but for his death or insolvency, would be entitled to receive notice of meeting. No other persons than the Auditors shall (save as required by the Act) be entitled to receive of General Meetings.

How notice to be singed

225. The signature to any notice to be given by the Company may be written or printed.

SECRECY CLAUSES

Secrecy clause

226. Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

Members not entitled to information

227. No member shall be entitled, except to the extent expressly permitted by the Act or these regulations, to enter upon the property of the Company or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it will be inexpedient in the interest of the member of the Company to communicate to the public.

WINDING - UP

Distribution of assets in specie

228. (1) If the Company shall be wound-up whether voluntarily or otherwise, the Liquidators may with the sanction of a Special Resolution divide among 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 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 preferential or special rights or may be excluded altogether or in part, but in case any division than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 484 of the Act.

(3) In case any of the shares to be divided as aforesaid involve a liability to calls or otherwise any person

entitled under such division to any of the said shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds, and the Liquidator shall, if practicable, act accordingly.

INDEMNITY

Indemnity

229. Subject to the provisions of Section 201 of the Act, every Director, Manager and other Officer or servant of the Company shall be indemnified by the Company against and it shall be the duty of Directors out of the funds of the Company to pay all costs, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or in any way in the discharge of his duties including expenses and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Manager, Officer or servant in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or he is acquitted, or in connection with any application under Section 633 of the Act in which relief is granted by the Court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the member over all other claims.

Individual responsibility of Directors

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

General Authority

231. Wherever, in the Act, it has been provided that a Company shall have any right, privilege or authority or that a Company could carry out a transaction only if a Company is so authorized by its Articles, then and in that case this Article hereby authorizes and empowers the Company to have such right, privilege or authority and to carry out such transactions as have been permitted by the Act without there being any specific Article in that behalf herein provided.

(Inserted vide special resolution passed at the Annual General Meeting held on 13th August, 2008)

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

Names, addresses, descriptions, and occupation of each subscriber	**No. of equity Shares taken by each subscriber**	**Signature of Subscriber**	**Name, address, description & occupation of witness**

Place:
Date :

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.516 OF 1991

CONNECTED WITH

COMPANY APPLICATION NO.194 OF 1991

In the matter of the Companies Act,1956

And

In the matter of The Morarjee Goculdas Spinning & Weaving Company Limited.

And

In the matter of a Composite and integrated Scheme of Amalgamation under Sections 391/394 of the Companies Act, 1956

The Morarjee Goculdas Spinning & Weaving Company Limited, a Company deemed to be registered under the Companies Act, 1956 and having its Registered Office at Dr. Ambedkar Road, Parel, Mumbai 400 012 Maharastra. ...Petitioners

CORAM : B. N. Srikrishna J.

13th December, 1991

UPON the Petition of The Morarjee Goculdas Spinning & Weaving Company Limited the Company abovenamed (hereinafter referred to as "the 2nd Transferee Company") solemnly declared on the 19th day of August, 1991 and presented to this Hon'ble Court on the same day for the sanction of the compromise and arrangement embodied in the composite and integrated Scheme of Amalgamation firstly of PMP Auto Industries Limited (hereinafter called "the Transferor Company") with S.S. Miranda Limited, (hereinafter called "the 1st Transferee Company") and secondly of the 1st Transferee Company with the Morarjee Goculdas Spinning & Weaving Company Limited the 2nd Transferee Company and for other consequential reliefs as in the Petition mentioned and the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Vasantray Chaganlal Vadodaria dated 19th day of August 1991

verifying the said petition AND UPON READING THE ORDER dated 12th July 1991 passed by this Hon'ble Court in Company Application No. 194 of 1991 whereby the 2nd Transferee Company was ordered to convene separate meetings of its members holding Equity share and preference shares for the purpose of considering and if thought fit, approving with or without modification the said Scheme of Amalgamation being Exhibit "A" to the Petition the Affidavit of Vasantray Chaganlal Vadodaria dated 11th July, 1991 in support of the said Company Application No. 194 of 1991 AND UPON PERSUING the issues of "Free Press Journal" dated 22nd July 1991 and of "Nav Shakti" dated 22nd July 1991 each containing the advertisements of the said Notices convening the said meetings directed to be held by the Order dated 12th July 1991 AND UPON READING the Affidavit of Ajay Gopikishan Piramal dated 1st August 1991 showing publication and dispatch of the notices convening the said meetings AND UPON READING the Reports herein dated the 16th day of August 1991 of Ajay Gopikishan Piramal the Chairman of the Meetings as to the result of the said meetings AND UPON READING the Affidavit of Ajay Gopikishan Piramal dated 17th day of August 1991 verifying the said Reports AND IT APPEARING from the said Reports of the Chairman of the said Meetings of the Members holding Equity shares and Preference shares of the 2nd Transferee Company that the proposed Scheme of Amalgamation has been approved unanimously by the members holding Equity shares and Preference shares of the 2nd Transferee Company present and voted in person or by proxy AND UPON HEARING Shri R. A. Kapadia with Shri D. J. Khambatta instructed by M/s. Mulla & Mulla & Craigie Blunt & Caroe Advocates for the 2nd Transferee Company in support of the said petition and Shri. R. M. Agarwal, Advocate for the Regional Director, Company Law Board Bombay, on behalf of the Central Government, who appears and shows cause in pursuance of the Notice herein dated 5th September 1991 under Section 394 of the Companies Act, 1956 and no other person entitled to appear at the hearing of the said Petition or to show cause against the same. THIS COURT DOTH HEREBY SANCITON the arrangement embodied in the Scheme of Amalgamation as set forth in Exhibit "A" to the said Petition and as set forth in the Schedule hereto AND DOTH HEREBY DECLARE the same to be binding on the members of the Transferor Company, of the 1st Transferee Company and of the 2nd Transferee Company and on the Transferor Company and on the 1st and 2nd Transferee Companies AND THIS COURT DOTH ORDER that with effect form 1st July 1990 (hereinafter called "the Appointed Date") the entire business and the whole of the undertakings of the Transferor Company and the 1st Transferee Company do and is hereby transferred and vests finally in the 2nd Transferee Company and without any further act or deed, in cluding all their reserves, properties movable and immovable assets such as leases, tenancy rights, industrial and other licences, permits, quota rights, trademarks, insurance and other industrial properties, benefits of all agreements and all other interests, rights and powers of any kind, nature and description whatsoever of the 1st Transferee Company and the Transferor Company as stated in and in the

manner specified in the Scheme of Amalgamation AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date, all debts, liabilities, duties and obligations of the 1st Transferee Company and the Transferor Company be transferred and vest in the 2nd Transferee Company without any further act or deed in terms of and in the manner specified in the Scheme of Amalgamation so that the said debts, liabilited, obligations and duties of the 1st Transferee Company and the Transferor Company do stand transferred to and become the debts, liabilities, duties and obligations of the 2nd Transferee Company AND THIS COURT DOTH FURTHER ORDER that all legal actions and/or proceedings by or against the Transferor Company and the 1st Transferee Company pending on or before or at the effective date relating to their respective undertakings, assets and liabilities do not abate, discontinue or be in any way prejudicially affected but the same do continue and be enforced by or against the 2nd Transferee Company in the same manner and to the same extent as it would or might have been continued or enforced by or against the Transferor Company and the 1st Transferee Company AND THIS COURT DOTH FURTHER ORDER that all the employees of the Transferor Company and the 1st Transferee Company on the effective date do become the employees of the 2nd Transferee Company on the terms and conditions not less favourable than those applicable to them prior to the effective date AND THIS COURT DOTH FURTHER ORDER that the 2nd Transferee Company do issue and allot at par to every shareholder of the 1st Transferee Company equity shares of the 2nd Transferee Company credited as fully paid up in the proportion of one (1) equity share of Rs. 10/- of the 2nd Transferee Company for every one (1) equity share of Rs. 10/- in the 1st Transferee Company and that the 18,000 equity shares of the Transferor Company do get extinguished in terms of the said Scheme of Amalgamation AND THIS COURT DOTH FURTHER ORDER that with effect from the effective date the Memorandum of Association of the 2nd Transferee Company do stand altered and amended as follows :

i) After the existing subclause (3) in clause III of the Memorandum of Association of the 2nd Transferee Company, the following sub-clauses shall be added as sub-clauses (3A) to (3J) :

3A To carry on business as manufacturers, sellers, importers, exporters, selling agents, consultants and designers, fo Bi/Tri metal bearings, bushes, ball bearings, roller bearings and needle bearings.

3B To carry on business of manufacturers, sellers, importers, exporters, selling agents, consultants and designers of ferrous and non-ferrous powders and powder metal sintered components such as tools, blanks, billets and structural sintered parts and bushings.

3C To carry on business as manufacturers, dealers and to act as agents of Electronic instruments, Electronic and Electric Equipment, Electronic Components, Magnetic Tapes, Ferrite Rods, Hard and Soft Ferrites, Capacitors, Connectors, Micro Switches Electronic, Switching Equipment, Power Diodes, Rectifiers, Integrated Circuits, Resistors, Reed relays and Switches, Printed Circuit Boards, Keyboards and Computers, Mini-Computers and Micro-Processor Based systems.

3D To acquire, to provide on lease or to provide on hire purchase basis industrial and office plant and equipment, machinery, vehicles, buildings and real estate.

3E To manufacture, buy, sell, refine, manipulate, purchase, distribute, import, export or otherwise deal in all kinds of Glass, Glassware, Glass bottles, vials, Glass containers and acrylic substitutes of such bottles, vials and the like of all descriptions kinds and forms.

3F To carry on business as manufacturers, designers, assemblers, contractors, dealers, exporters and importers of all kinds of automotive parts and accessories.

3G To carry on business as manufacturers and dealers of all kinds of Electronic & Electrical components."

3H To carry on business as manufacturers, designers, assemblers, contractors, dealers, exporters and importers of all kinds of automotive parts and accessories, equipment and fittings, including voltage regulators, horn relays, stop-light switches, oil pressure switches, all panel and other swithches, flashers dynamo armatures, starter armatures, commutators, field coils, wiper motors, wiper blades and arms, ignition coils, indicators, lamps of all types, dynamos, generators, starters, alternators, magnetos, trafficators, fans, lighters, electric horns, air horns, fuel pumps, electric bulbs, sealed beams, carbon and starter brushes, regulator points and resistances, horn point, distributors and parts thereof, heaters, cigar lighters, air-conditioners, ammeters, volt meters, ohm meters, fuel gauges etc. and components of all these above mentioned items and all parts for motor cars, motor trucks, station wagons, omnibuses, coaches, tractors, trailers, motor cycles, motor bicycles, scooters, railways, and other automotive vehicles and also for any other means of conveyance or transport or any kind of engines or prime movers.

3I To carry on the business of leasing and hire purchase finance company and to provide on lease or on hire purchase all types of industrial and office plants, equipments, machinery, vehicles and buildings.

3J To carry on the business of financing industrial enterprises, relating to textile engineering, chemicals, automobiles, pharmaceutical industries and also in respect of the objects of the Company."

ii) The existing Clause V of the Memorandum of Association of the 2nd Transferee Company shall be substituted by the following :

"The Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 1,98,27,500 (One crore ninety eight lacs twenty seven thousand and five hundred) Equity Shares of Rs. 10/- (Rupees ten) each and 17,250 (Seventeen thousand two hundred and fifty) Cumulative Preference Share of Rs. 100/- (Rupees one hundred) each, which Preference Shares shall confer upon the holders thereof the right to a fixed Cumulative Preferential Dividend at the rate of 6.43% per annum on the Capital for the time being paid up thereon subject to deduction therefrom of tax on account of the shareholders as required by Section 194 of the Income Tax Act, 1961, or any replacement or re-enactment thereof, or under any other taxing statutes or under any Finance Act, or under any Rules and Regulations or Notifications in that behalf as may be effected at the time of the declaration of the dividend thereon, but without any deduction of any tax on account of the Company and all which Share Capital shall be capable of being increased and reduced in accordance with the Company's Regulations and Legislative provisions for the time being in force in that behalf, the power to divide the shares in the Capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential qualified or special rights, privileges or conditions."

AND THIS COURT DOTH FURTHER ORDER that with effect from the effective date the Articles of Association of the 2nd Transferee Company do stand altered and amended as follows :

Aricle 4 shall be substituted by the following :

The Capital of the Company is Rs.20,00,00,000/- (Rupees twenty crores only) divided into 1,98,27,500/- (One crore ninety eight lacs twenty seven thousand five hundred) Equity Shares of Rs.10/- (Rupees ten) each and 17,250 (Seventeen thousand two hundred and fifty) Preference Shares of Rs. 100/- (Rupees one hundred) each, subject to it being increased or reduced in accordand with the regulations of the Company and the Act and the Legislative provisions for the time being in force in this behalf and with power to divide the shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential qualified or special rights, privileges or conditions."

AND THIS COURT DOTH FURTHER ORDER that the 2nd Transferee Company do within a period of 30 days from the date of sealing of this Order cause a certified copy of this Order to be delivered to the Registrar of Companies, Maharastra, Bombay for Registration and on such certified copy being so delivered the Transferor Company and the 1st Transferee Company shall be dissolved and the Registrar of Companies place all documents relating to the Transferor Company and the 1st Transferee Company, and registered with him on the file kept by him in relation to the 2nd Transferee Company and the files relating to the said Companies shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the Parties to the Scheme of Amalgamation sanctioned herein or any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein or in the above matter AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs.500/- (Rupees five hundred only) to the Regional Director, Company Law Board, Bomaby towards the costs of the said Petition WITNESS SHRI PRABODH DINKARRAO DESAI Chief Justice at Bombay aforesaid this 13th day of December, 1991

By the Court.

Seal

Sd/-
R.G. Deorukhkar
For prothonotary & senior master

Sd/-
R.G. Deorukhkar
SEALER
This 12th day of February 1992

ORDER SANCTIONING SCHEME OF AMALGAMATION under Sections 391 to 394 of the Companies Act, 1956, drawn on application by M/s MULLA & MULLA & CRAIGIE BLUNT & CAROE

Advocates for the Petitioners having their office at Jehangir Wadia Building, 51, M.G. Road, Fort, Mumbai-400 001.

SCHEME OF AMALGAMATION
FIRSTLY OF PMP AUTO INDUSTRIES LIMITED WITH S.S. MIRANDA LIMITED
&
SECONDLY OF S.S. MIRANDA LIMITED WITH THE MORARJEE GOCULDAS SPINNING & WEAVING COMPANY LIMITED

1. This Scheme of Amalgamation is presented as one integrated and composite scheme for the amalgamation Firstly, of PMP Auto Industries Ltd., having its Registered Office at Aarey Road, Goregaon (East), Bombay - 400 063 (hereinafter referred to as "PMP") with S.S.Miranda Limited, having its Registered Office at Ashok Road, Kandivli (East), Bombay 400 101, Maharashtra (hereinafter referred to as "MIRANDA"), and Secondly, of MIRANDA with The Morarjee Goculdas Spinning & Weaving Company Limited, having its Registered Office at Dr. Ambedkar Road, Parel, Bombay 400 012, Mharashtra (hereinafter referred to as "MORARJEE"), pursuant to the relevant provisions of the Companies Act, 1956 (here inafter referred to as "the Act") to the intent that both PMP and MIRANDA get amalgamated with and merged into MORARJEE.

2. (a) PMP is a wholly owned subsidiary of MIRANDA.

   The authorised share capital of PMP is Rs.20,00,000/- divided into 20,00,000/- Equity Shares of Rs.100/- each. The issued, subscribed and paid up share capital of PMP is Rs.18,00,000/- divided into 18,000 Equity Shares of Rs.100/- each.

   Of the above:

   990 Shares have been allotted as fully paid up in pursuance of contract without payment being received in cash.

   13,500 Shares have been allotted as fully paid up as bonus shares by capitalisation of General Reserve.

   The entire share capital is held by Miranda, the holding Company.

   (b) The authorised, issued, subscribed and paid up share capital of MIRANDA is Rs. 1,60,00,000/- divided into 16,00,000 Equity Shares of Rs. 10/- each fully paid up.

   (c) The authorised, issued, subscribed and paid up share capital of MORARJEE is Rs.4,37,71,800/- divided into 42,04,680 Equity Shares of Rs.10/- each fully paid-up

and 17,250 6.43% Cumulative Preference Shares of Rs.100/- each fully paid up.

Of the above :

38,02,180 Equity Shares have been allotted as fully paid-up bonus shares by capitalisation of share premium account and reserves.

17,250 Preference Shares have been allotted as fully paid-up bonus shares by capitalisation of reserves.

This scheme provides, inter alia, for increase in the authorised capital of MORARJEE to enable MORARJEE to issue and allot shares to the shareholders of MIRANDA as provided in Clause 9 hereof.

3. (a) With effect from the 1st day of July, 1990 (hereinafter called "the Appointed Date") and subject to the provisions of this Scheme in relation to the mode transfer and vesting :

(i) firstly the entire business and the whole of the undertaking of PMP, including all the properties, movable and immovable, real, corporeal and incorporeal, present and contingent, assets, investments, rights, powers, authorities, allotments, approvals, consent letters of intent, licences and registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of any nature whatsoever and wherever situate of, or vested in or granted in favour of or enjoyed respectively by PMP, including but without being limited to all patents, trademarks, trade names and other industrial property rights of any nature whatsoever and licences in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, goodwill, ownership flats, quota rights, permits, approvals, authorisations, right to use and aval of telephones, telexes, facsimile connections and installations, utilities, electricity and all other services and all other rights, interests, claims and powers of every kind, nature and description of PMP, (hereinafter collectively referred to as "the said assets of PMP") shall, without any further act or deed be and the same shall stand transferred to and vested in and/ or deemed to be transferred to and vested in MIRANDA pursuant to the provisions of Sections 391/394 of the Act. The transfer/vesting as aforesaid shall be subject to the respective existing charges/ hypothecation/mortgages over or in respect of the said assets of PMP or any part thereof.

(ii) Secondly, immediately upon the trasfer to and vesting in of the said assets of PMP in MIRANDA the entire business and the whole of the undertaking of MIRANDA the entire business and the whole of the undertaking of MIRANDA, including all the properties, movable and immovable, real, corporel and incorporeal, present and contingent, assets, investments, rights, powers, authorities, allotments, approvals, consent letters of intent, licences and registrations, contracts, engagements arrangements, rights, titles, interests, benefits and advantage of any nature whatsoever and wherever situate of, or vested in or granted infavour of or enjoyed by MIRANDA, including but without being limited to all patents, trademarks, trade names and other industrial property rights of any nature whatsoever and licences in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, goodwill, ownership flats, quota rights, permits, approvals, authorizations, right to use and and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and all other services and all other rights, interests, claims and powers of every kind, nature description of MIRANDA which shall include the said assets of PMP already transferred to and vested in MIRANDA (hereinafter collectively referred to as "the said assets" of MIRANDA) shall, without any further act or deed be and the same shall stand transferred to and vested in/or deemed to be transferred to and vested in MORARJEE pursuant to the provisions of Sections 391/394 of the Act. The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgages over or in respect of the said assets of MIRANDA or any part thereof.

(b) It is expressly provided that :

(i) in respect of such of the said assets of PMP as are moveable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred respectively by PMP and shall become the property of MIRANDA in pursuance of the provisions of Section 394 of the said Act as an integral part of the undertaking.

(ii) in respect of such of the said assets of MIRANDA (which shall include the said assets of PMP already transferred to and vested in MIRANDA) as are moveable in nature or are otherwise capable of

transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by MIRANDA, and shall become the property of MORARJEE, in pursuance of the provisions of Section 394 of the said Act as an integral part of the undertaking.

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

(iv) in respect of such of the said assets of MIRANDA (which shall include the said assets of PMP already transferred to and vested in MIRANDA) other than those referred to in sub-para (b) (ii) above, the same shall as more particularly provided in sub-clause (a)(ii) above, without any further act instrument or deed, stand transferred and vested in MORARJEE on the Appointed date pursuant ot the provisions of Section 394 of the Act.

4. Subject to the other provisions of this Scheme, with effect from the Appointed Date :

(a) all debts, liabilities, duties and obligations of every kind, nature and description of PMP (hereinafter collectively referred to as “the said liabilities of PMP”) shall also, without any further act or instrument or deed stand transferred to and vested in and/or deemed to be transferred to and vested in MIRANDA pursuant to the provisions of Sections 391/394 fo the Act so as to become the debts, liabilities, duties and obligations of MIRANDA PROVIDED ALWAYS that this scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to PMP which shall vest in MIRANDA by virtue of the amalgamation and MIRANDA shall not be obliged to create any further or additional security therefore after the amalgamation has become effective or otherwise.

(b) Secondly, immediately upon the transfer to and vesting in of the said liablilities of PMP in MIRANDA all debts, liabilities, duties and obligations of every kind, nature and description of MIRANDA which shall include the said liabilities of PMP already transferred to and vested in MIRANDA (hereinafter collectively referred to as “the said liabilities of MIRANDA”) shall also, without any further act or instrument or deed stand transferred to

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

5. With effect from the Appointed Date and upto and including the Effective Date (as defined in para 16 hereof) :

(a) PMP and MIRANDA respectively shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the said assets for and on account count of and in trust for MORARJEE. PMP and MIRANDA hereby undertake to hold their said respective assets with utmost until the Effective Date.

(b) All the profits or income accruing or arising respectively to PMP and MIRANDA or expenditure or losses arising or incurred respectively by PMP and MIRANDA shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of MORARJEE.

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

6. Subject to the other provisions of this Scheme all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which PMP and/or MIRANDA is a party, or to the benefit of which PMP and/or MIRANDA may be eligible, and which are subsisting or operative immediately on or before the Effective Date, shall be in full force and effect against or in favour of MORARJEE as the case may be and may be enforced as fully and effectively as if instead of PMP and/or MIRANDA as the case may be, MORARJEE had been a party or beneficiary thereto.

7. All legal actions and/or other proceedings by or against PMP and MIRANDA pending on or before or at the Effective Date relating to their respective undertaking, assets and liabilities referred to in Clauses 3 and 4 hereof shall not abate, be discontinued or be in any way prejudicially affected by reason of the said undertakings, assets and liabilities of PMP and MIRANDA having finally stood transferred and vested in MORARJEE as provided in this Scheme, but, the same shall be continued and enforced and be enforced by or against MORARJEE, in the same manner and to the same extent as it would be or might have been continued or enforced by or against PMP or MIRANDA as the case may be, if this Scheme had not been made.

8. The final vesting of the said assets and the said liabilities and the whole of the undertakings of PMP and MIRANDA to MORARJEE as provided in this Scheme and the continuance of all contracts or proceedings by or against PMP & MIRANDA shall not affect any contracts or proceedings relating to their respective said assets or the said liabilities already concluded by PMP and MIRANDA on or after the Appointed Date to the intent that MORARJEE accepts end adopts all acts, deeds, matters and things done and/or executed respectively by PMP and MIRANDA in regard thereto as having been done or executed for and on behalf of MORARJEE.

8-A With effect from the effective date the Memorandum of Association of MORARJEE shall stand altered and amended as follows:

i) After the existing subclause (3) in clause III of the Memorandum of Association of MORARJEE, the following sub-clauses shall be added as sub-clauses (3A) to (3J):-

"3A To carry on business as manufacturers, sellers, importers, exporters, selling agents, consultants and designers, of Bi/Tri metal bearings, bushes, ball bearings, roller bearings and needle bearings.

3B To carry on business of manufacturers, sellers, importers, exporters, selling agents, consultants and designers of ferrous and non-ferrous powders and powder metal sintered components such as tools, blanks, billets and structural sintered parts and bushings.

3C To carry on business as manufacturers, dealers and to act as agents of Electronic instruments, Electronic and Electric Equipment, Electronic Components, Magnetic Tapes, Ferrite Rods. Hard and Soft Ferrites, Capacitors, Connectors, Micro Switches Electronic, Switching Equipment, Power

Diodes, Rectifiers, Integrated Circuits, Resistors, Reed relays and Switches, Printed Circuit Boards, Keyboards and Computers, Mini-Computers and Micro-Processor Based systems.

3D To acquire, to provide on lease or to provide on hire purchase basis industrial and office plant and equipment, machinery, vehicles, buildings and real estate.

3E To manufacture, buy, sell, refine, manipulate, purchase, distribute, import, export or otherwise deal in all kinds of Glass, Glassware, Glass bottles, vials, Glass containers and acrylic substitutes of such bottles, vials and the like of all descriptions, kinds and forms.

3F To carry on business as manufacturers, designers, assemblers, contractors, dealers, exporters and importers of all kinds of automotive parts and accessories.

3G To carry on business as manufacturers and dealers of all kinds of Electronic & Electrical components."

3H To carry on business as manufacturers, designers, assemblers, contractors, dealers, exporters and importers of all kinds of automotive parts and accessories, equipment and fittings, including voltage regulators, horn relays, stop-light switches, oil pressure switches, all panel and other switches, flashers dynamo armatures, starter armatures, commutators, field coils, wiper motors, wiper blades and arms, ignition coils, indicators, lamps of all types, dynamos, generators, starters, alternators, magnetos, trafficators, fans, lighters, electric horns, air horns, fuel pumps, electric bulbs, sealed beams, carbon and starter brushes, regulator points and resistances, horn points, distributors and parts thereof, heaters, cigar lighters, air-conditioners, ammeters, volt meters, ohm meters, fuel gauges etc. and components of all these above mentioned items and all parts for motor cars, motor trucks, station wagons, omnibuses, coaches, tractors, trailers, motor cycles, motor bicycles, scooters, railways, and other automotive vehicles and also for any other means of conveyance or transport or any kind of engines or prime movers.

3I To carry on the business of a leasing and hire purchase finance company and to provide on lease or on hire purchase all types of industrial and office, plants, equipments, machinery, vehicles and buildings.

3 J To carry on the business of financing industrial enterprises relating to textile engineering, chemicals, automobiles, pharmaceutical industries and also in respect of the objects of the Company."

ii) The existing Clause V of the Memorandum of Association of MORARJEE shall be substituted by the following:-

"The Share Capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 1,98,27,500 (One crore ninety eight lacs twenty seven thousand five hundred) Equity Shares of Rs. 10/- (Rupees ten) each and 17,250 (Seventeen thousand two hundred and fifty) Cumulative Preference Shares of Rs. 100/- (Rupees one hundred) each, which Preference Shares shall confer upon the holders thereof the right to a fixed Cumulative Preferential Dividend at the rate of 6.43% per annum on the Capital for the time being paid-up thereon subject to deduction therefrorn of tax on account of the shareholders as required by Section 194 of the Income-tax Act, 1961 or any replacement or re-enactment thereof, or under any other taxing statutes or under any Finance Act, or under any Rules and Regulations or Notifications in that behalf as may be effective at the time of the declaration of the dividend thereon, but without any deduction of any tax on account of the Company, and all which Share Capital shall be capable of being increased and reduced in accordance with the Company's Regulations and Legislative provisions for the time being in force in that behalf, with power to divide the shares in the Capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential qualified or special rights, privileges or conditions."

8-B With effect from the effective date, the Articles of Association of Morarjee shall stand altered and amended as follows:-

Article 4 shall be substituted by the following:

"The Capital of the Company is Rs.20,00,00,000/- (Rupees Twenty Crores only) divided into 1,98,27,500 (One crore ninety eight lacs twenty seven thousand five hundred) Equity Shares of Rs.10/- (Rupees ten) each and 17,250 (Seventeen thousand two hundred and fifty) Preference Shares of Rs.100/- (Rupees one hundred) each, subject to it being increased or reduced in accordance with the regulations of the Company and the Act, and the Legislative provisions for the time being in force in this behalf and with power to divide the shares in the capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential qualified or special rights, privileges or conditions."

9. (a) Upon the Scheme of Amalgamation becoming finally effective:-

(i) As part of the consideration for such final transfer and vesting of the said assets and the said liabilities of PMP and MIRANDA as provided in this Scheme, MORARJEE shall, subject to the provisions of this Scheme, issue and allot at par to every shareholder of MIRANDA whose names shall appear in the register of Members of MIRANDA on a date (Record Date) to be fixed by the Board of Directors of MORARJEE, equity shares of MORARJEE credited as fully paid up in the proportion of One (1) Equity share of Rs.10/- of MORARJEE for every One (1) Equity Share of Rs.10/- in MIRANDA.

(ii) The shares of PMP held by Miranda shall get extinguished.

(iii) For the purpose of such allotment, fractional entitlements, if any, shall be ignored and no fractional certificate or coupon shall be issued in favour of any shareholder of MIRANDA but such Shares representing all such fractional entitlements shall be consolidated and allotted to any two nominees of MORARJEE upon trust to sell the shares so allotted and to distribute the net sale proceeds (less expenses) to those shareholders of MIRANDA who are entitled to such fractions in the proportion to which they are so entitled.

(b) The said Equity Shares in MORARJEE to be issued to the shareholders of MIRANDA shall rank pari passu in all respects with the existing Equity Shares in MORARJEE and they shall be eligible, subject to Clause 11 hereof, for any dividend that may be payable or declared by MORARJEE for the financial year commencing from 1st July, 1990.

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

(d) MIRANDA also shall surrender to MORARJEE its Share Certificates in respect of the shares held by it in PMP.

10. Without in any manner affecting the generality of paragraphs 3 to 6 above, it is clarified that on this Scheme finally taking effect as hereinafter provided:

a) all the employees of PMP and MIRANDA on the effective date shall become the employees of MORARJEE on the terms and conditions not less favourable than those applicable to them prior to the Effective Date.

b) the service of such employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments by PMP or MIRANDA, as the case may be.

c) all agreements entered into by PMP and MIRANDA with their bankers, trade unions, distributors, stockiest agents etc. if any, shall continue to be in full force and effect and may be enforced by or against MORARJEE.

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

e) the Reserves and Surplus, if any, of PMP and MIRANDA shall finally become and form part of the corresponding Reserves and Surplus of MORARJEE, to the end and intent that the book value of the respective assets of PMP and MIRANDA on the Appointed Date shall be the values at which the said assets shall stand transferred to and vested in MORARJEE subject to the provisions of and in accordance with this Scheme.

f) The difference, if any, between the aggregate face value of the Equity shares of MIRANDA cancelled or deemed to be cancelled pursuant to Clause 9(c) hereof and the aggregate face value of the Equity Shares of MORARJEE allotted pursuant to Clause 9(a) hereof shall be credited to and be deemed to be share premium accruing or arising to MORARJEE.

g) The difference between the amount of aggregate face value of the Equity shares of PMP held by MIRANDA which are to get extinguished pursuant to clause 9(a) (ii) hereof and the purchase price of the said shares to MIRANDA shall be set off against the Revaluation Reserves.

11. PMP, MIRANDA and MORARJEE each shall be entitled to declare and pay dividends, if any, to their respective shareholders for any Financial Year or any Period prior to the Effective Date.

12. Until the Effective Date, neither PMP nor MIRANDA nor MORARJEE shall issue or allot any shares either rights of bonus or otherwise within their respective authorised share capital for the time being save and except the shares to be issued and allotted as provided in Clause 9 of this Scheme.

13. Both PMP and MIRANDA shall, with all reasonable despatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the Act, to the High Court of Judicature at Bombay for seeking sanction of this Scheme of Amalgamation and for their dissolution without winding up. MORARJEE shall also make applications to the High Court of Judicature at Bombay for seeking sanction of this Scheme of Amalgamation under the applicable provisions of the Act.

14. PMP, MIRANDA and MORARJEE by their respective Boards of Directors may consent to any modifications or amendments of this Scheme which may in the opinion of the said Board of Directors be in the best interest of all the three companies or to any conditions or limitations that the Court or any other authority may deem fit to impose as may be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) in the best interests of the shareholders. After dissolution of PMP and MIRANDA, MORARJEE (by its Board of Directors) shall be authorised to give such directions or take such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions, whether by reason of any Order of the High Court or of any directive or order of any other authorities or otherwise howsoever, arising out of or under or by virtue of this Scheme and/or any matter concerned or connected therewith.

15. This Scheme is integrated and composite and is conditional on and subject to:-

    (a) approval of and agreement to this Scheme by the requisite majority of the respective members of and such or of creditors of PMP, MIRANDA and MORARJEE as may be directed by the High Court of Judicature at Bombay;

    (b) sanctions and Orders under the provisions of Section 391 read with Section 394 of the Act being obtained from The High Court of Judicature at Bombay;

    (c) approval of the shareholders of MORARJEE to the increase in the authorised Equity share capital of MORARJEE to enable it to issue and allot Equity Shares to the shareholders of MIRANDA as provided in the Scheme.

    (d) all other sanctions and approvals as may be required by law in respect of this Scheme being obtained, including

approvals, if any required, of the financial institutions/ banks under the loan agreements/security documents executed by PMP, MRANDA and MORARJEE.

(e) MIRANDA shall continue to hold and shall not sell and/ or transfer the shares held by it in PMP.

16. This Scheme, although operative from the Appointed Date shall take effect finally upon and from the date on which any of the aforesaid sanctions or approvals or Orders shall be last obtained which shall be the Effective Date for the purposes of this Scheme.

17. In case this Scheme is not sanctioned by the High Court of Judicature at Bombay, or in the event any of the approvals or conditions ennumerated in Clause 15 above is not obtained or complied with, or for any other reasons this Scheme cannot be implemented, this Scheme shall become null and void, and each Company shall bear and pay its respective costs, charges, and expenses in connection with the Scheme of Amalgamation.

(For Prothonotary and Senior Master)

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 91 OF 2004

CONNECTED WITH

COMPANY APPLICATION NO. 3 OF 2004

In the matter of the Companies Act, 1956 ("The Act")

AND

In the matter of Sections 391 to 394 of the Act:

AND

In the matter of Canere Actives & Fine Chemicals Private Limited;

AND

In the matter of Scheme of Arrangement Between The Morarjee Goculdas Spg.&Wvg. Co. Limited, Canere Actives & Fine Chemicals Private Limited and their respective Members for transfer of the Tools Division under Sections 391 to 394 of the Act.

Canere Actives & Fine Chemicals)
Private Limited, a company)
Incorporated under Act, 1956 and having its)
Registered Office at 405-408, Navbharat Estate,)
Zakaria Bunder Road,)
Sewri (W), Mumbai 400 015.) ..... Petitioner.

Coram : Anoop V. Mohta J.

Date : 6th May 2004

Upon the Petition of Canere Actives & Fine Chemicals Private Limited, the Petitioner Company abovenamed, presented to this Court on the 28th day of January, 2004 for sanction of the Arrangement embodied in the Scheme of Arrangement between The Morarjee Goculdas Spg.&Wvg. Co. Limited (hereinafter referred

to as "Morarjee" or "the Transferor Company") and Canere Actives & Fine Chemicals Private Limited (hereinafter referred to as "the Petitioner Company" or "The Transferee Company" or "Canere") AND for other consequential reliefs as mentioned in the Petition And the said Petition being called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. IIesh Parikh, Director of the Petitioner Company dated the 28th day of January, 2004, verifying the said Petition AND UPON READING the affidavit of Mr. IIesh Parikh, Director of the Petitioner Company a dated 23rd day of February, 2004 proving publication of notice of the hearing of the Petition in the newspapers viz. "Free Press Journal" (in English) and "Nav Shakti" (in Marathi) both on 16th day of February, 2004 and also proving dispatch of notice of hearing of the Petition to the Unsecured Creditors of the Petitioner Company AND UPON READING the Affidavit of Mr. Bhagwan W. Sawant, clerk in the office of the Advocate for Petitioner Company dated 12th day of February, 2004 proving service of notice of hearing of the Petition on the Regional Director, Department of Company Affairs, Maharashtra, Mumbai, AND UPON READING the Order dated the 16th day of January, 2004 made by this Hon'ble Court in Company Application No. 3 of 2004 whereby the meeting of the Equity Shareholders of the Petitioner Company for the purpose of considering and, if thought fit, approving with or without modifications, the arrangement embodied in the Scheme of Arrangement proposed to be made between the Transferor Company and Transferee Company was dispensed with in view of the No Objection Certificate given by 100% of the shareholders of the Petitioner Company which is annexed as Exhibit "F" to the Affidavit dated the 7th January, 2004 of Mr. Prashant Mistry in support of the Company Application No. 3 of 2004 and by the said Order dated 16th day of January, 2004 the meeting of the secured Creditors of the Petitioner Company was dispensed with in view of the No Objection Certificate given by 100% of the secured creditors of the Petitioner Company which is annexed Exhibit "g" to the said Affidavit dated 7th day of January, 2004 of Mr. Prashant Mistry and by the said Order dated 16th January, 2004 the meeting of the unsecured creditors of the Petitioner Company was dispensed with in view of the averments made in paragraph 31 of the said affidavit dated 7th January, 2004 of Mr. Prashant Mistry and the undertaking given by the Petitioner Company to issue notice of hearing of the Petition to all the Unsecured Creditors of the Petitioner Company AND UPON READING the Company Application Lodging No. 246 of 2004 and the Affidavit of Mr. IIesh Parikh, the Director of the Petitioner Company dated the 11th day of March, 2004 in support of the said Company Application Lodging No. 246 of 2004 in the Company Petition No. 91 of 2004 connected with Company Application No.3 of 2004, AND UPON READING the Order date the 12th day of March, 2004 passed by this Hon’ble Court in terms of papers (a) to (b) of Company Application Lodging No. 246 of 2004 allowing the Petitioner Company to amend the said Company Petition no. 91 of 2004 and to make consequential amendments in the Petition and as well as in the said Scheme of Arrangement to the effect that

reference to Petitioner Company in the said Petition and the said Scheme shall be the reference to Nicholas Piramal India Limited (hereinafter referred to as (NPIL), the successor to the Petitioner Company consequent to the Scheme of Amalgamation for merger of the Petitioner Company with NPIL as set out in 'Exhibit B' to the Affidavit of Mr. llesh Parikh in support of the said Company Application Lodging No. 246 of 2004 AND UPON READING the Affidavit dated 7th day of April, 2004 of Mr. Chakradhara Paik, Regional Director, Western Region, Department of Company Affairs, stating that the Scheme is not prejudicial to the interest of the shareholders and creditors of the Petitioner Company AND UPON HEARING Mr. Janak Dwarkadas with Mr. Shyam Diven Counsel instructed by M/s. Crawford Bayley & Co., Advocates for the Petitioner Company and Mr. R.C. Master, Counsel instructed by Dr. T.C.Kaushik for Regional Director, Department of Company Affairs, Maharashtra Mumbai who submits to the order of the Court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the arrangement embodied in the Scheme of Arrangement between The Morarjee Goculdas Spg.&Wvg. Co. Limited, the Transferor Company and Nicholas Piramal India Limited, the Successor of Canere Actives & Fine Chemicals Private Limited, the Transferee Company duly modified pursuant to the said Order date 12th March 2004 as set out in Exhibit "A" to the Petition and also in the Schedule hereto AND THIS COURT DOTH HEREBY DECLARE that the Arrangement embodied in the Scheme so duly modified (Exhibit "A" to the Petition) to be binding with effect from 1st December, 2003 (hereinafter referred to "The Appointed Date ") on The Morarjee Goculdas Spg. & Wvg. Co. Limited. and Nicholas Piramal India Limited ('NPIL'), the successor of Canere Actives & Fine Chemicals Private Limited, the Transferee Company, on all the members and all the creditors of Morarjee and on all the members and the creditors of NPIL AND THIS COURT DOTH ORDER THAT with effect from 1st December, 2003 the Tools Division of MORARJEE being the entire Undertaking of MORARJEE known as Tools Division comprising of the Unit situated at 903/904, GIDC Industrial Estate, Ankelshwar 393 002 in the state of Gujarat, which shall mean and include land, buildings and structures thereon and plant and machinery, equipments, furnitures, fixtures, vehicles, stocks & inventory and all other assets, properties, benefits, debts, liabilities, duties and obligations appertaining to that Unit as on the Appointed Date which shall also include the Tools Division's all movable and immovable assets and properties, real corporeal and incorporeal, in possession or reversion, present and contingent, all other assets (whether tangible or intangible) of whatsoever nature, investments, lease and hire purchase contracts, leasehold rights, tenancy rights, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other licences, registrations, contracts, engagements, club memberships, arrangements, rights titles, interests, credits, benefits and advantages of any nature whatsoever and wheresoever situate of, 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 Tools Division as on the Appointed Date, including but without being limited to all patents, patent rights applications, trade marks, trade names, brands, logos, copyrights and other industrial and intellectual properties, domain manes and rights of any nature whatsoever and licences assignments, grants, registrations, recognitions in respect of the Tools Division, privileges, liberties, easements, contracts advantages, benefits, goodwill, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile and other communication facilities, connections, equipments and installations, utilities, electricity and electronic and all other services, of every kind, nature and descriptions whatsoever, reserves, provisions, funds, rights and benefits of all agreements, arrangements, deposits, advances, recoverable and receivables whether from government, semi-government, local authorities or any other customers etc. and cash and bank balances, all earnest moneys and/or deposits including security deposits pertaining to the Tools Division and all other rights, interests, claims and powers of every kind, nature and description of and arising to MORARJEE/Tools Division pertaining to/in respect of the Tools Division as on the Appointed Date and thereafter shall, pursuant to the provisions contained in Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument, deed, matter or thing, shall stand demerged/ transferred to and vested in and/or be deemed to be transferred to and vested in NPIL as a going concern free from all encumbrances but subject to subsisting charges AND THIS COURT DOTH FURTHER ORDER THAT liabilities pertaining to the Tools Division shall include the liabilities which arise out of the activities of the Tools Division; specific loans and borrowings, raised, incurred and utilized solely for the activities or operations of the Tools Division, if any, and liabilities other than those referred to above, being the amounts of general or multipurpose borrowings of MORARJEE allocated to the Tools Division in the same proportion in which the value of the assets transferred under the Scheme bear to the total value of the assets of MORARJEE immediately before giving effect to the Scheme and that any question that may arise as to whether a specified asset or liability pertains of the Tools Division shall be decided by mutual agreement between the Board of Directors of NPIL and MORARJEE AND THIS COURT DOTH FURTHER ORDER THAT the transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets of Tools Division or any part thereof, provided however, any reference in any security documents or arrangements to which MORARJEE/Tools Division is a party wherein the assets of MORARJEE/Tools Division have been 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 Tools Division, as are vested in NPIL by virtue of the Scheme to the end and intent that such securities, mortgages and charges shall not extend or be deemed to extend to any of the other assets of MORARJEE or to any of the other units or divisions of MORARJEE

unless specifically agreed to by MORARJEE and that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to MORARJEE which shall vest in NPIL by virtue of the Scheme and NPIL shall not be obliged to create any further or additional security therefore after the Scheme has become effective or otherwise and that such existing and subsisting charges includes any assets of MORARJEE not pertaining to the Tools Division shall have been offered or agreed to be offered as security for any financial assistance or obligations of Tools Division, such assets shall stand released from such security and accepting and security shall stand modified AND THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations appertaining to the Tools Division as on the Appointed Date shall also, without any further act, instrument or deed be and stand transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by NPIL pursuant to the provisions of Sections 391/394 of the Act so as to become as and from the Appointed Date the debts, liabilities, contingent, liabilities, duties and obligations of NPIL on the same terms and conditions as were applicable to MORARJEE and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause AND THIS COURT DOTH FURTHER ORDER THAT NPIL may at any time after the coming into effect of the Scheme in accordance with the provisions thereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the secured creditors of MORARJEE/Tools Division or in favour of any other party to any contract or arrangement to which MORARJEE/Tools Division is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions and NPIL shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of MORARJEE/Tools Division and to implement or carry out all such formalities or compliance referred to above on the part of MORARJEE/Tools Division to be carried out or performed AND THIS COURT DOTH FURTHER ORDER THAT upon the Scheme becoming operative, in consideration of the transfer of and vesting of the Tools Division of MORARJEE (as defined in Clause 1.7 of the Scheme) in NPIL, in terms of the Scheme, NPIL shall, without any further application or deed, issue and allot to every member of MORARJEE, holding fully paid up equity shares in MORARJEE and whose names appear in the Register of Members of MORARJEE on the Record Date, or to his/her heirs, executors, administrators or the successors-in-title, as the case may be, in respect of every Five (5) equity shares of the face value of Rs. 10/- each fully paid-up held by him/her/it in MORARJEE, Six (6) 5% cumulative redeemable preference shares of the face value of Rs. 10/- each of NPIL (hereinafter called the “preference shares”) credited as fully paid-up with rights attached thereto and subject to the conditions that no fractional certificate(s) shall be issued by NPIL in respect of fractional entitlements to which the members of

MORARJEE may be entitled to on issue and allotment of the shares as aforesaid by NPIL and that all such fractions shall be consolidated into full Preference shares which shall be allotted by the Board of Directors of NPIL at its discretion to any two nominees of NPIL upon trust with the express understanding that such nominees shall sell the same at the best available price in one or more lots and by private sale/placement or by auction or by any other manner as may be deemed fit (the decision of such nominees as to the timing and method of the sale and the price at which such sale has been given effect to shall be final) and to distribute the sale proceeds to those shareholders of MORARJEE who are entitled to such fractions in the proportion to which they are so entitled and that the said preference shares shall carry right to receive cumulative preferential dividend of 5% per annum of the amount credited as having been paid up as above in respect thereof for each financial year of NPIL with effect from the Appointed Date and that the said preference shares shall be redeemable out of profits and/or proceeds of issue of fresh shares or as may be permitted under the Act, at any time after the 31st day of March, 2005 and before the expiry of the period of five (5) years from the date of allotment as may be decided by the Board of Directors of NPIL by giving not less than 30 days notice to the holders of the preference shares with an option to NPIL to extend the said period of five years with the approval by a special resolution passed by the holders of the said preference shares or the consent in writing of the holders of atleast three-fourth of the number of the said preference shares and that the said preference shares shall rank for dividend in priority to the equity shares of NPIL, and shall, on a winding up of NPIL be entitled to rank, as regards repayment of capital up to the commencement of the winding up, in priority to the equity shares of NPIL and that NPIL shall be entitled in future to create and/or issue further preference shares ranking subsequent to the said preference shares and that the said preference shares shall be subject to the Scheme and the Memorandum and Articles of Association of NPIL and that NPIL shall increase its authorized shares capital on order to enable it to issue that said preference shares and that the said preference shares shall be issued only in dematerialized form by NPIL, unless otherwise notified to MORARJEE in writing by the eligible shareholders of MORARJEE on or before such date as may be determined by the Board of Directors of MORARJEE or committee thereof. In event that such notice has not been received by MORARJEE in respect of any of the members of MORARJEE, the shares shall be issued to such members in dematerialized form provided that the members of MORARJEE shall be required to have an account with a depository participant and shall provide details thereof and such other confirmation as may be required and it is only thereupon that NPIL shall issue and directly credit the demat account of such member with the shares of NPIL and that in the event that MORARJEE has received notice from any member of MORARJEE that shares are to be issued in certificate form or if any member has not provided requisite details relating to the account with a depository participant or other confirmation as may be required,

then NPIL shall issue shares in certificate form to such member and that the preference shares to be issued by NPIL in respect of any equity shares of MORARJEE which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be allotted and held in a separate account in trust for the respective shareholders on final settlement of the dispute, the share certificates shall be dispatched in case of shares held physically and the concerned accounts credited in case of dematerialized shares AND THIS COURT DOTH FURTHER ORDER THAT upon the Scheme becoming effective NPIL shall record the assets and liabilities recorded in the books of account of MORARJEE/Tools Division, being the assets and liabilities pertaining to the Tools Division of MORARJEE and transferred to and vested in NPIL under the Scheme, at their book value as on the Appointed Date and NPIL shall credit to Share Capital Account in its books of accounts, the face value of the preference shares issued by NPIL under Clause 4.1 of the Scheme and the excess, if any of the aggregate value of assets over the aggregate value of liabilities of Tools Division recorded by NPIL upon their transfer to and vesting in NPIL as above, after adjusting for the face value of the preference shares issued and allotted by NPIL as provided in the Scheme shall be credited by NPIL to its Capital Reserve Account and the deficit if any, shall be debited to its Goodwill Account AND THIS COURT DOTH FURTHER ORDER THAT subject to the other provisions of the Scheme, all contracts, licences, arrangements, deeds, bonds, agreements, insurance policies and other instruments, if any, of whatsoever nature in respect of the Tools Division to which MORARJEE/Tools Division is a party or to the benefit of which MORARJEE/Tools Division may be eligible, and which are subsisting or operative or having effect immediately on or before the Effective Date, shall remain in full force and effect in favour of or against NPIL, and may be enforced as fully and effectually as if, instead of MORARJEE/Tools Division as the case may be, NPIL had been a party or beneficiary thereto and that all agreements entered into by MORARJEE/Tools Division with its bankers, distributors, stockists, agents, etc, if any, in respect of the Tools Division shall unless terminated by MORARJEE/Tools Division in the ordinary course of business or with the consent of NPIL, continue to be in full force and effect and may be enforced by or against NPIL and that all subsisting agreements/arrangements of MORARJEE/Tools Division relating to the use of patents, patent applications, trade marks (including logos), brands, copyrights and/or technology and all other intellectual and/or industrial properties and rights in respect of Tools Division, shall accrue to and for the benefit of NPIL AND THIS COURT DOTH FURTHER ORDER THAT all suits, claims, actions and proceedings of whatsoever nature by or against MORARJEE/Tools Division pending and/or arising on or before the Effective Date relating to its Tools Division, shall neither abate nor shall in any way be prejudicially affected by reason of the said Tools Division, having been transferred and vested in NPIL as provided under the Scheme, but the same shall be continued and be enforced by and/or against NPIL as effectually as if the

same has been pending and/or arising against NPIL AND THIS COURT DOTH FURTHER ORDER THAT all the employees of MORARJEE in respect of Tools Division on the Effective Date shall become the employees of NPIL without any break or interruption in service and on the same terms and conditions on which they are engaged as on the Effective Date and services of all such employees with MORARJEE/Tools Division, upto the Effective Date shall be taken into account for the purposes of all retirement benefits to which they may be eligible on MORARJEE/Tools Division on the Effective Date and that for the purpose of payment of any retrenchment compensation, such past services with MORARJEE/ Tools Division shall also be taken into account by NPIL and that the services of such employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments by MORARJEE/Tools Division and that as for as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund created or existing for the benefit of the staff, workmen and other employees of MORARJEE in respect of Tools Division are concerned, upon the Scheme becoming finally effective, NPIL shall stand substituted for MORARJEE/Tools Division for all the purposes whatsoever related to the administration or operation of such Scheme or Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Schemes or Funds according to the terms provided in the respective Trust Deeds or other documents and that all the rights, duties, powers and obligations respectively of MORARJEE/Tools Division in relation to such Scheme or Funds shall become those of NPIL and that the services of the staff, workmen and other employees of MORARJEE in respect of Tools Division will be treated as having been continuous for the purpose of the aforesaid Scheme, Funds or provisions AND THIS COURT DOTH FURTHER ORDER THAT until the Scheme becomes effective NPIL shall not undertake any restructuring, reconstruction or reconstitution of NPIL nor shall make any arrangement or compromise with any person or entity, including its creditors, without the approval of the Board of Directors of MORARJEE, which approval may be given provided it does not prejudicially or adversely affect the rights of the holders of the preference shares to be allotted by NPIL under the Scheme, to receive preferential dividend and to receive the amount on redemption of such preference shares, and after the allotment of such preference shares, without the consent of the holders of such preference shares by a special resolution passed at the class meeting of the holders of such preference shares AND THIS COURT DOTH FURTHER ORDER THAT NPIL shall within 30 days from the date of sealing of the Order, cause the certified copy of the Order to be delivered to and filed with the Registrar of Companies, Mumbai, Maharashtra for registration and upon such certified copy of order being so delivered the Registrar of Companies, Maharashtra, Mumbai shall transfer all the files and record relating to the Tools Division of the Transferor Company and register with him on the files kept by him in relation to the NPIL and shall consolidate the

files in respect of Tools Division of Transferor Company and NPIL accordingly AND THIS COURT DOTH FURTHER ORDER that the Transferor Company or any other person or persons interested in the Scheme shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary with regard to the working of the Scheme of Arrangement sanctioned herein and annexed in Schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Transferor Company do pay a sum of Rs. 2,500/- (Rupees two thousand five hundred Only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards the costs of the said Petition

WITNESS SHRI CHUNILAL KARSANDAS THAKKER, Chief Justice at Bombay, aforesaid this 6th day of May, 2004.

By the Court

for Prothonotary & Senior Master

dated this 29th July, 2004

ORDER sanctioning the Composite Scheme of)
Arrangement drawn on the Application by)
M/s. Crawford Bayley & Co. Advocates for)
the Petitioner Company having their office at)
State Bank of India Building, 4th floor,)
N.G.N. Vaidya Marg, Mumbai - 400 023.)

SCHEDULE

SCHEME OF ARRANGEMENT

Between

MORARJEE GOCULDAS SPG. & WVG.CO.LTD.

And

CANERE ACTIVES AND FINE CHEMICALS PRIVATE LIMITED

And

THEIR RESPECTIVE MEMBERS

Under Sections 391 to 394 of the Companies Act, 1956

This Scheme of Arrangement is presented under Sections 391 to 394 and other applicable/relevant provisions of the Companies Act, 1956 for the demerger and transfer of the Tools Division of MORARJEE GOCULDAS SPG. & WVG. CO. LTD., having its Registered Office at Morarjee Mills Compound, Dr. Ambedkar Road; Parel, Mumbai 400 012 as a going concern to CANERE ACTIVES AND FINE CHEMICALS PRIVATE LIMITED, having its Registered Office at 405/408 Navbharat Industrial Estate, Zakaria Bunder Road, Sewri (West), Mumbai 400 015.

1. DEFINITIONS

In this Scheme unless inconsistent with the subject or context, the following expressions shall have the meanings respectively assigned against them.

1.1 "Act" or "The Act" means the Companies Act, 1956 or any statutory modifications or re-enactment thereof for the time being in force.

1.2 "Appointed Date" means the 1st Day of December, 2003 or such other date as may be approved/fixed by the High Court of Judicature at Bombay.

1.3 "Effective Date" means later of the dates on which certified or authenticated copies of the Orders of the High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai by MORARJEE and CANERE.

1.4 "MORARJEE" OR "Transferor Company" means MORARJEE GOCULDAS SPG. & WVG. CO. LTD., a Company deemed to be registered under the Companies Act, 1956, and having its registered office at Morarjee

Mills Compound, Dr. Ambedkar Road, Parel, Mumbai 400 012.

1.5 "CANERE" or "Transferee Company" means CANERE ACTIVES AND FINE CHEMICALS PRIVATE LIMITED, a Company incorporated under the Companies Act, 1956, and having its registered office at 405/408 Navbharat Industrial Estate, Zakaria Bunder Road, Sewri (West), Mumbai 400 015.

1.6 "Scheme" or "The Scheme" means this Scheme of Arrangement in its present form or with any modifications(s) made under Clause 12 of the Scheme.

1.7 "Tools Division" means :

(a) the entire Undertaking of MORARJEE known as Tools Division comprising of the Unit situated at 903/904 GIDC Industrial Estate, Ankelshwar 393 002 in the State of Gujarat, which shall mean and include land, buildings and structures thereon and plant and machinery, equipments, furnitures, fixtures, vehicles, stocks & inventory and all other assets, properties, benefits, debts, liabilities, duties and obligations appertaining to that Unit as on the Appointed Date;

(b) Tools Division shall also include the Tools Divisions's all movable and immovable assets and properties, real corporeal and incorporeal, in possession or reversion, present and contingent, all other assets (whether tangible or intangible) of whatsoever nature, investments, lease and hire purchase contracts, leasehold rights, tenancy rights, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other licences, registrations, contracts, engagements, club memberships, arrangements, rights, titles, interests, credits, benefits and advantages of any nature whatsoever and wheresoever situate of, 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 Tools Division as on the Appointed Date, including but without being limited to all patents, patent rights applications, trade marks, trade names, brands, logos, copyrights and other industrial and intellectual properties, domain names and rights of any nature whatsoever and licences assignments, grants, registrations, recognitions in respect of the Tools Division, privileges, liberties, easements, contracts advantages, benefits, goodwill, quota rights, permits, approvals, authorizations, right to

use and avail of telephones, telexes, facsimile and other communication facilities, connections, equipments and installations, utilities, electricity and electronic and all other services, of every kind, nature and descriptions whatsoever, reserves, provisions, funds, rights and benefits of all agreements, arrangements, deposits, advances, recoverables and receivables whether from government, semi-government, local authorities or any other customers etc. and cash and bank balances, all earnest moneys and/or deposits including security deposits pertaining to the Tools Division and all other rights, interests, claims and powers of every kind, nature and description of and arising to MORARJEE/Tools Division pertaining to/in respect of the Tools Division as on the Appointed Date and thereafter.

For the purpose of the Scheme, it is clarified that liabilities pertaining to the Tools Division include:

(i) The liabilities which arise out of the activities of the Tools Division:

(ii) Specific loans and borrowings, raised, incurred and utilized solely for the activities or operations of the Tools Division, if any:

(iii) Liabilities other than those referred to in sub-clauses (i) and (ii) above, being the amounts of general or multipurpose borrowings of MORARJEE, allocated to the Tools Division in the same proportion in which the value of the assets transferred under the Scheme bear to the total value of the assets of MORARJEE immediately before giving effect of the Scheme.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain the Tools Division or whether it arises out of the activities or operations of the Tools Division shall be decided by mutual agreement between the Board of Directors of MORARJEE and NPIL.

1.8 "Record Date" means the date to be fixed by the Board of Directors of NPIL in consultation with the Board of Directors of MORARJEE for the purpose of allotment of preference shares in terms of Clause 4.1 of the Scheme.

1.9 "NPIL" means Nicholas Piramal India Limited, the successor of CANERE pursuant the Scheme of Amalgamation of CANERE with Nicholas Piramal India Limited under Company petition No. 208 of 2004.

2. SHARE CAPITAL

2.1 The Share Capital of MORARJEE as of 1st December, 2003, is as under :

Authorised Capital	Rs. (In Lacs)
4,00,00,000 Equity Shares of Rs. 10/- each fully paid up	4000.00
issued, Subscribed and Paid up	
1,94,76,900 Equity Shares of Rs. 10/- each	1,947.69
Amount on 1,43,100 shares forfeited	5.54

2.2 The Share Capital of CANERE as of 1st December, 2003, is as under :

Authorised Capital	Rs. (in lacs)
1,00,00,000 Equity Shares of Rs. 10/- each fully paid up	1000.00
70,00,000 Preference Shares of Rs. 10/- each	700.00
Issued, Subscribed and Paid up	
1,00,00,000 Equity Shares of Rs. 10/- each fully paid up	1000.00

3. TRANSFER AND VESTING OF TOOLS DIVISION

With effect from the Appointed Date, the Tools Division (as defined in Clause 1.7) of MORARJEE shall, pursuant to the provisions contained in Sections 391 to 394 and other relevant and applicable provisions of the Act without any further act, instrument, deed, matter or thing, stand transferred to and vested in and/or be deemed to be transferred to and vested in NPIL as a going concern free from all encumbrances but subject to the subsisting charges as mentioned hereinafter.

3.1 The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets of Tools Division or any part thereof, provided however, any reference in any security documents or arrangements to which MORARJEE/Tools Division is a party wherein the assets of MORARJEE/ Tools Division have been 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 Tools Division, as are vested in NPIL by virtue of the Scheme to the end and intent that such securities, mortgages and charges shall not extend or be deemed to extend to any of the assets of MORARJEE or to any of the other units or divisions of MORARJEE unless specifically agreed to by MORARJEE.

PROVIDED ALWAYS THAT the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to MORARJEE which shall vest in NPIL by virtue of the Scheme and NPIL shall not be obliged to create any further or additional security therefore after the Scheme has become effective or otherwise.

If is hereby declared that if such existing and subsisting charges includes any assets of MORARJEE not pertaining to the Tools Division which have been offered or agreed to be offered as security for any financial assistance or obligations of Tools Division, such assets shall stand released from such security and accepting such security shall stand modified.

3.2 The debts, liabilities, contingent liabilities, duties and obligations appertaining to the Tools Division as on the Appointed Date shall also, without any further act, instrument or deed be and stand transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by NPIL pursuant to the provisions of Sections 391/394 of the Act so as to become as and from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of NPIL on the same terms and conditions as were applicable to MORARJEE and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

3.3 NPIL may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the secured creditors of MORARJEE/Tools Division or in favour of any other party to any contract or arrangement to which MORARJEE/Tools Division is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. NPIL shall under the provisions of this Scheme be deemed to be authorized to execute any such writings on behalf of MORARJEE/Tools Division and to implement or carry out all such formalities or compliance referred to above on the part of MORARJEE/Tools Division to be carried out or performed.

4. CONSIDERATION-ISSUE OF SHARES

4.1 Upon the Scheme becoming operative, in consideration of the transfer of and vesting of the Tools Division of MORARJEE (as defined in Clause 1.7) in NPIL, in terms

of the Scheme, NPIL shall, without any further application or deed, issue and allot to every member of MORARJEE, holding fully paid up equity shares in MORARJEE and whose names appear in the Register of Members of MORARJEE on the Record Date, or to his/her heirs, executors, administrators or the successors-in-title, as the case may be, in respect to every Five (5) equity shares of the face value of Rs. 10/- each fully paid-up held by him/her/it in MORARJEE, Six (6) 5% cumulative redeemable preference shares of the face value of Rs. 10/- each of NPIL (hereinafter called the "preference shares") credited as fully paid-up with rights attached thereto and subject to terms and conditions as under.

4.1.1 No fractional certificate(s) shall be issued by NPIL in respect of fractional entitlements to which the members of MORARJEE may be entitled to on issue and allotment of the shares as aforesaid by NPIL. All such fractions shall be consolidated into full Preference shares which shall be allotted by the Board of Directors of NPIL at its discretion to any two nominees of NPIL upon trust with the express understanding that such nominees shall sell the same at the best available price in one or more lots and by private sale/placement nor by auction or by any other manner as may be deemed fit (the decision of such nominees as to the timing and method of the sale and the price at which such sale has been given effect to shall be final) and to distribute the sale proceeds to those shareholders of MORARJEE who are entitled to such fractions in the proportion to which they are so entitled.

4.1.2 The said preference shares shall carry right to receive cumulative preferential dividend of 5% per annum of the amount credited as having been paid up as above in respect thereof for each financial year of NPIL with effect from the Appointed Date.

4.1.3 The said preference shares shall be redeemable out of profits and/or proceeds of issue to fresh shares or as may be permitted under the Act, at any time after the 31st day of March, 2005 and before the expiry of the period of five (5) years from the date of allotment as may be decided by the Board of Directors of NPIL by giving not less than 30 days notice to the holders of the preference shares with an option to NPIL to extend the said period of five years with the approved by a special resolution passed by the holders of the said preference shares or the consent in writing of the holders of atleast three-fourth of the number of the preference shares.

4.1.4 The said preference shares shall rank for dividend in priority to the equity shares of NPIL, and shall, on a winding up of NPIL be entitled to rank, as regards repayment of capital up to the commencement of the winding up, in priority to the equity shares of NPIL.

4.1.5 NPIL shall be entitled in future to create and/or issue further preference shares ranking subsequent to the said preference shares.

4.2 The said preference shares in NPIL to be issued to the members of MORARJEE shall be subject to the Scheme and the Memorandum and Articles of Association of NPIL.

4.3 NPIL shall increase its authorized share capital in order to enable it to issue the said preference shares.

4.4 The said preference shares shall be issued only in dematerialized form by NPIL, unless otherwise notified to MORARJEE in writing by the shareholders of MORARJEE on or before such date as may be determined by the Board of Directors of MORARJEE or committee thereof. In event that such notice has net been received by MORARJEE in respect of any of the members of MORARJEE, the shares shall be issued to such members in dematerialized form provided that the members of MORARJEE shall be required to have an account with a depository participant and shall provide details thereof and such other confirmation as may be required. If is only thereupon that NPIL shall issue and directly credit the demat account of such member with the shares of NPIL. In the event that MORARJEE has received notice from any member of MORARJEE that shares are to be issued in certificate form or if any member has not provided requisite details relating to the account with a depository participant or other confirmation as may be required, then NPIL shall issue shares in certificate form to such member.

4.5 The preference shares to be issued by NPIL pursuant to Clause 4.1 in respect of any equity shares of MORARJEE which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be allotted and held in a separate account in trust for the respective shareholders. ON final settlement of the dispute, the share certificates shall be dispatched in case of shares held physically and the concerned accounts credited in case of dematerialized shares.

5. ACCOUNTING TREATMENT

Upon the Scheme becoming effective :

5.1 NPIL shall record the assets and liabilities recorded in the books of account of MORARJEE/Tools Division, being the assets and liabilities pertaining to the Tools Division of MORARJEE and transferred to and vested in NPIL under the Scheme, at their book value as on the Appointed Date.

5.2 NPIL shall credit to Share Capital Account in its books of accounts, the face value of the preference shares issued by NPIL under Clause 4.1 of the Scheme.

5.3 The excess, if any of the aggregate value of assets over the aggregate value of liabilities of Tools Division recorded by NPIL upon their transfer to and vesting in NPIL as per sub-clause 5.1 above, after adjusting for the face value of the preference shares issued and allotted by NPIL as provided in Clause 4.1 shall be credited by NPIL to its Capital Reserve Account. The deficit if any, shall be debited to its Goodwill Account.

5.4 The difference between the book value of assets and liabilities of the Tools Division shall be charged by MORARJEE to the Share Premium Account. The application and consequential reduction of the Share Premium Account as aforesaid shall be effected as part of the Scheme only as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any amount paid in respect of shares issued and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act.

6. CONDUCT OF BUSINESS BY MORARJEE TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date :

6.1 MORARJEE shall be deemed to have been carrying on and shall carry on the business and activities of Tools Division and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all of the said assets for and on account of and in trust for NPIL. MORARJEE hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

6.2 MORARJEE shall carry on the business and activities of Tools Division with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without the prior written consent of NPIL, alienate, charge, mortgage, encumber or otherwise deal with or dispose off its Tools Division or any part thereof.

6.3 All the profits or income accruing or arising to MORARJEE or expenditure or losses arising or incurred or suffered by MORARJEE pertaining to the Tools Division shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of NPIL.

6.4 MORARJEE shall not vary the terms and conditions of employment of any of the employees engaged in and for the business of the Tools Division except in the ordinary course of business or without the prior consent of NPIL or pursuant to any pre-existing obligation undertaken by MORARJEE/Tools Division prior to the Appointed Date.

6.5 NPIL shall be entitled, pending the sanction of this Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions which NPIL may require to own and operate the Tools Division.

7. PROFITS, DIVIDEND, BONUS/RIGHT SHARES

7.1 MORARJEE shall not utilise profits, if any, of the Tools Division for any purpose including of declaring or paying any dividend in respect of the period falling on and after the Appointed Date. MORARJEE shall also not utilize, adjust or claim adjustment of the profits/losses as the case may be earned/incurred or suffered in respect of the Tools Division after the Appointed Date,

7.2 Until the Effective Date, MORARJEE shall not issue or allot any further equity shares either rights or bonus or otherwise.

7.3 Until the effective Date, NPIL shall not issue or allot any preference shares which shall rank for dividend or as regards the repayment of capital thereon prior to the preference shares to be issued and allotted by NPIL under the Scheme.

8. CONTRACTS, DEEDS & OTHER INSTRUMENTS

Subject to the provisions of the Scheme, all contracts, licenses, arrangements, deeds, bonds, agreements, arrangements, insurance policies and other instruments of whatsoever nature in respect of the Tools Division to which MORARJEE/Tools Division is a party, or to the benefit of which MORARJEE/ Tools Division may be eligible, and which are subsisting or operative or having effect immediately on or before the Effective Date, shall be in full force and effect in favour of or against NPIL and may be enforced as fully and effectively as if instead of MORARJEE/Tools Division as the case may be, NPIL had been a party or beneficiary thereto.

8.1 All agreements entered into by MORARJEE/Tools

Division with its bankers, distributors, stockists, agents, etc., if any, in respect of the Tools Division shall unless terminated by MORARJEE/Tools Division in the ordinary course of business or with the consent of NPIL, continue to be in full force and effect and may be enforced by or against NPIL.

8.2 All subsisting agreements/arrangements of MORARJEE/ Tools Division relating to the use of patents, patent applications, trade marks (including logos), brands, copyrights and/or technology and all other intellectual and/or industrial properties and rights in respect of Tools Division, shall accrue to and for the benefit of NPIL.

9. LEGAL PROCEEDINGS

All suits, claims, actions and proceedings of whatsoever nature by or against MORARJEE/Tools Division pending and/or arising on or before the Effective Date relating to its Tools Division, shall neither abate nor shall in any way be prejudicially affected by reason of the said Tools Division, having been transferred and vested in NPIL as provided under the Scheme, but the same shall be continued and be enforced by and/or against NPIL as effectually as if the same has been pending and/or arising against NPIL.

10. TRANSFER OF EMPLOYEES OF MORARJEE/TOOLS DIVISION

On the Scheme finally taking effect as hereinafter provided :-

10.1 all the employees of MORARJEE in respect of Tools Division on the Effective Date shall become the employees of NPIL without any break or interruption in service and on the same terms and conditions on which they are engaged as on the Effective Date. Services of all such employees with MORARJEE/Tools Division, upto the Effective Date shall be taken into account for the purposes of all retirement benefits to which they may be eligible in MORARJEE/Tools Division on the Effective Date. NPIL further agrees that for the purpose of payment of any retrenchment compensation, such past services with MORARJEE/Tools Division shall also be taken into account.

10.2 the services of such employees shall not be treated as having been broken or interrupted for the purpose of provident fund or gratuity or superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments by MORARJEE/Tools Division.

10.3 It is provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund created or existing for the benefit of the staff, workmen

and other employees of MORARJEE in respect of Tools Division are concerned, upon the Scheme becoming finally effective, NPIL shall stand substituted for MORARJEE/Tools Division for all the purposes whatsoever related to the administration or operation of such Scheme or Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Schemes or Funds according to the terms provided in the respective Trust Deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations respectively of MORARJEE/Tools Division in relation to such Scheme or Funds shall become those of NPIL. It is clarified that the services of the staff, workmen and other employees of MORARJEE in respect of Tools Division will be treated as having been continuous for the purpose of the aforesaid Scheme, Funds or provisions.

11. Application to High court

11.1 Both, Morarjee and Canere shall, with all reasonable dispatch, make applications/petitions to the High Court of Judicature at Bombay under Section 391 and other applicable provisions of the Act, seeking orders for convening or dispensing with or holding and conducting of the meetings of the respective classes of the members and/or creditors of each MORARJEE and CANERE as may be directed by the High Court for seeking sanction of the Scheme.

11.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of MORARJEE and CANERE, as directed by the High Court of Judicature at Bombay, each of MORARJEE and CANERE shall, with all reasonable dispatch, apply to the high Court for sanctioning the Scheme under Sections 391 to 394 of the Act, and for such other order or orders, as the said High Court may deem fit for carrying the Scheme into effect.

12. MODIFICATIONS / AMENDMENTS TO THE SCHEME

12.1 MORARJEE and NPIL by their respective Board of Directors ("the Board" which term shall include a Committee thereof) may assent to or may make and/or consent to any modifications/amendments to the Scheme or to the Scheme or to any conditions or limitations that the Court and/or any other authority under Law may deem fit to direct or impose of which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board) MORARJEE and NPIL by their respective Board shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever whether by reason

of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

12.2 The term 'any other Authority' referred to in the foregoing clause 12.1 shall specially include Securities and Exchange Board of India ('SEBI') and the Stock Exchange with which the shares of MORARJEE are listed and with which MORARJEE has filed a copy of the Scheme under sub-clause (I) of Clause 24 of the Listing Agreement (hereinafter referred to as "the concerned Stock Exchanges") which authority may require such modification/amendments to the Scheme or stipulate any conditions or limitations as referred in foregoing Clause 13.1 while granting approval to the Scheme.

13. SCHEME CONDITIONAL ON APPROVALS/SANCTIONS

The Scheme is conditional upon and subject to :

13.1 The approval of and agreement to the Scheme by the requisite majority of the respective members of and such classes of persons of MORARJEE and CANERE as may be directed by the Hon'ble High Court of Judicature at Bombay.

13.2 The Sanctions and Orders under the provisions of Sections 391 to 394 of the Act being obtained by MORARJEE and CANERE from the Hon'ble High Court of judicature at Bombay

13.3 Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filled with the Registrar of Companies, Maharashtra by MORARJEE and NPIL respectively.

13.4 Until the Scheme becomes effective NPIL shall not undertake any restructuring, reconstruction or reconstitution of NPIL nor shall make any arrangement or companies with any person or entity, including its creditors, without the approval of the Board of Directors of MORARJEE, which approval may be given provided it does not prejudicially or adversely affect the rights of the holders of the preference shares to be allotted by NPIL under the Scheme, to receive preferential dividend and to receive the amount on redemption of such preference shares, and after the allotment of such preference shares, without the consent of the holders of such preference shares by a special resolution passed at the class meeting of the holders of such preference shares.

14. DATE of TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any

modification(s) or amendments approved under Clause 12 of the Scheme or if any imposed or directed by the High Court of Judicature at Bombay, shall take effect from the Appointed Date but shall be operative from the Effective Date.

15. EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS

In case the Scheme is not sanctioned by the High Court of Judicature at Bombay, or for the reason of any of the approvals or conditions enumerated in Clause 13 above not being obtained or compelled, or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, revoked and cancelled.

16. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levels and all other expenses, if any, arising out of or incurred in carrying out and implementing the Scheme and matters incidental thereto including the stamp duty, if any, applicable in relation to the Scheme shall be borne and paid by NPIL.

Certified to be a True Copy

The 2nd day of 29 August 2004

(For Prothonotary and Senior Master)

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PENTITION NO. 91OF 2004

CONNECTED WITH

COMPANY APPLICATION NO. 30 OF 2004

In the matter of Sections 391 to 394 of the Companies Act 1956:

AND

In the matter of Scheme of Arrangement Between The Morarjee Goculdas Spg. & Wvg. Co. Limited, Canere Actives & Fine Chemicals Private Limited and their respective Members for transfer of the Tools Division under Sections 391 to 394 of the Act.

Canere Actives & Fine Chemicals Private Limited

..... Petitioner

ORDER SANCTIONING THE SCHEME OF ARRANGEMENT

Dated this 6th day of May, 2004

Filled this 29th day of July, 2004

M/S CRAWFORD BAYLEY & CO.

Advocate for the Petitioner

State Bank of India Building,
4th Floor, N.G.N. Vaidya Marg,
Mumbai - 400 023.

IN THE HIGH COURT OF JUDICATION AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PENTITION NO. 483 OF 2005

CONNECTED WITH

COMPANY APPLICATION NO. 159 OF 2005

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Sections 391 to 394 of the Companies Act 1956:

AND

In the matter of Companies Scheme of Arrangement and Amalgamation Between Piramal Holdings Limited and Piramyd Retail and Merchandising Private Limited and Morarjee Realties Limited and their respective shareholders

MORARJEE REALTIES LIMITED, a company)
Incorporated under Act, 10 of 1866 having its)
Registered Office at 106, Peninsula Centre,)
Dr. S. S. Rao Road Parel, Mumbai 400 012) ..... Petitioner.

Coram : A. M. Khanwilkar J

Date : September 16, 2005

Upon the Petition of Morarjee Realties Limited, the Petitioner Company abovenamed, presented to this Honorable Court on 5th day of July, 2005 for sanction of the Composite Scheme of Arrangement and Amalgamation Between Piramal Holding Limited (hereinafter referred to as "PHL" or "the Transferor Company") and piramyd Retail and Merchandising Private Limited (hereinafter referred to as "PRMPL" or "the Denerging Company") and Morarjee Realities Limited (hereinafter referred to as "MRL" or "the Transferor Company" or "the Petitioner Company") and their respective shareholders AND for other consequential reliefs as mentioned in the Petition And the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Mr. V. C. Vadodaria, Company Secretary of the Petitioner solemnly affirmed on 5th day of July,

2005, verifying the said Petition AND UPON READING the affidavit of Mr. Hanmant Jadhav, clerk in the office of Mr. Rajesh Shah, Advocate of M/s. Rajesh Shah & Co., Advocates for the Petitioner Company dated 29th day of August, 2005 proving service of the notice of the date of hearing of the Petition upon the Regional Director, Department of Company Affairs, Mumbai, Maharashtra and also proving publication of the notice of the date of hearing of the Petition in the issue of the "Free Press Journal" dated 10th day of August, 2005 and "Navshakti" dated 10th day of August, 2005 AND UPON READING the Order dated 1st day of April, 2005 made by this Hon'ble Court in Company Application No. 159 of 2005 whereby the Petitioner Company was directed to convene meeting of the Equity Shareholders of the Petitioner Company to consider and approve the proposed composite Scheme of Arrangement and Amalgamation AND by this said order 1st day of April, 2005 convening and holding of the meeting of Secured Creditors of the Petitioner Company for the purpose of considering and approving the Composite Scheme of Arrangement and Amalgamation was dispensed with in view of the consent given by the only Secured Creditor of the Petitioner Company annexed as Exhibit 'A' to the Additional Affidavit of V. C. Vadodaria dated 29th March, 2005 AND by the said order dated 1st April, 2005 convening and holding of the meeting of the Unsecured Creditors of the Petitioner Company to consider and approve the proposed arrangement embodied in the Composite Scheme of Arrangement and Amalgamation was dispensed with in view of the averment made in paragraph 25 of the affidavit in support the Company Application No. 159 of 2005 and in view of the undertaking given by the Petitioner Company to give notice of hearing of the Petition to all its Unsecured Creditors AND UPON READING the Affidavit of Ms. Urvi Piramal, on of the Chairman appointed for the meeting of the Equity Shareholders of the Petitioner Company dated 20th day of April, 2005 proving publication of notice convening the meeting of the equity shareholders in the issue of Free Press Journal in English dated 7th day of April, 2005 and Navshakti in Marathi dated 7th day of April, 2005 and also proving dispatch of the Notice convening the meeting to the equity shareholders of the Petitioner Company AND UPON READING the Report of Ms. Urvi Piramal, one of the Chairman appointed for the meeting of the equity shareholders of the Petitioner Company dated 1st day of July, 2005 as to the result of the said meeting of equity shareholders of the Petitioner company AND UPON READING Affidavit dated 1st day of July, 2005 of Ms. Urvi Piramal, verifying the said report AND IT APPEARS from the said Report of the Chairman of the meeting of the equity shareholders of the Petitioner Company that the Composite Scheme of Arrangement and Amalgamation has been approved by requisite majority in number of Equity Shareholders representing more than three-fourth in value of the equity shareholders of the Petitioner Company present and voting at the said meeting AND UPON READING Affidavit dated 15th day of September, 2005 of Mr. V. S. Rao, Regional Director, Western Region, Department of Company Affairs, Maharashtra, Mumbai stating that the Scheme is not prejudicial to the interest of Creditors

& Shareholders of the Petitioner Company AND UPON HEARING Mr. Rajesh Shah, of M/s. Rajesh Shah & Co., Advocates for the Petitioner Company and Mr. C. J. Joy with Mr. R. C. Master and Mr. M. M. Goswami, Panel Counsel instructed by Dr. T. C. Kaushik for Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submit to the Order of the Court AND no other person or persons entitled to appear at the hearing of the petition appearing this day either in support of the petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the said arrangement embodied in the Composite Scheme of Arrangement and Amalgamation Between Piramal Holding Limited, the Transferor Company and Piramyd Retail and Merchandising Private Limited, the Demerging Company and Morajee Realties Limited, the Petitioner Company and their respective shareholders, as set forth in Exhibit 'G' to the said Petition and the SCHEDULE hereto AND THIS COURT DOTH HEREBY DECLARE that the said arrangement embodied in the Composite Scheme of Arrangement and Amalgamation be binding of Piramal Holding Limited, the Transferor Company and Piramyd Retail and Merchandising Private Limited, the Demerging Company and Morarjee Realties Limited, the Petitioner Company and also their respective shareholders and creditors such that amalgamation of Transferor Company with the Petitioner Company should precede the demerger of the Leasing Business of the demerged Company into the Petitioner Company AND THIS COURT DOTH ORDER that with effect from 1st day of April, 2005 (hereinafter referred to as the "Appointed Date"), the PHL Undertaking shall, without further act, instrument or deed be and shall stand transferred to and vested in and/or deemed to be transferred to and vested in the Petitioner Company as a going concern free from all encumbrances, but subject to subsisting charges as mentioned hereinafter and agreed to be created pursuant to the provisions of Section 391 to 394 and other relevant provisions of the Act and form part of the PHL Undertaking AND THIS COURT DOTH FURTHER ORDER that the liabilities shall also, without any further act, instrument or deed be and transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Petitioner Company pursuant to the provisions of Sections 319 to 394 of the Act. so as to become the liabilities of the Petitioner Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by the virtue of which such liabilities has arisen, in order to give effect to the provisions of this clause AND THIS COURT DOTH FURTHER ORDER that upon this Scheme becoming operative and upon amalgamation of PHL in the Petitioner Company in terms of this Scheme, the Petitioner Company shall, without any application or deed, issued and allot equity shares credited as fully paid up, to the extent indicated below, to the members of PHL holding fully paid-up equity shares in PHL and whose name appear in the Register of Member of PHL, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of PHL viz 2

(two) fully paid up equity shares of Rs. 10/- each of the Petitioner Company shall be issued and allotted for every 1 (One) equity share of Rs. 10/- each held in PHL (hereinafter referred to as "New Equity Shares") AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date, all the assets including investments, and liabilities appearing in the books of accounts of PHL pertaining to PHL Undertaking shall stand transferred to and vested in the Petitioner Company pursuant to the Scheme and shall be recorded by the Petitioner Company at their fair values AND THIS COURT DOTH FURTHER ORDER that on the Scheme becoming effective all the employees of PHL shall become the employees of the Petitioner Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date and the Petitioner Company further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with PHL shall also be taken into account and the Petitioner Company undertakes to continue to abide by the terms of agreement / settlement entered into by PHL with employees' union / employee or associations of PHL AND THIS COURT DOTH FURTHER ORDER that as and from the Effective Date, all legal proceedings of whatsoever nature by or against PHL pending on and/or arising after the Appointed Date and relating PHL Undertaking, shall be continued and enforced by or against the Petitioner Company only in the manner and to the same extent as would have been continued and enforced by or against PHL and on and from the Effective Date, the Petitioner Company shall and may, if required, initiate any legal proceedings in relation to PHL AND THIS COURT DOTH FURTHER ORDER that subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the PHL Undertaking to which PHL is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Petitioner Company, as the case may be, and may be enforced by or against the Petitioner Company as fully and effectually as if, instead of PHL, the Petitioner Company had been a party thereto AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date, the Leasing Business of PRMPL, 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 vested in and/or deemed to be transferred to and vested in the Petitioner Company, so as to vest in the Petitioner Company all the rights, title and interest pertaining to the Leasing Business AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date, the liabilities of PRMPL relatable to the Leasing Business shall, without any further act or deed be and stand transferred to the Petitioner Company so as to become as from the Appointed Date, the liabilities of the Petitioner Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to

the provisions of this sub-clause and after the Effective Date, the Petitioner Company undertakes to meet, discharge and satisfy the said liabilities to the exclusion of PRMPL and to keep PRMPL indemnified at all times from and against all such liabilities and from and against all actions, demands and proceeding in respect thereto AND THIS COURT DOTH FURTHER ORDER that upon this Scheme becoming operative and upon vesting of the Leasing Business of PRMPL in the petitioner Company in terms of this Scheme, the Petitioner Company shall without any further application or deed, issue and allot 1,000 Preference Shares of the face value of Rs. 10/- each (Rupees Ten Only) credited as fully paid-up to all shareholders of PRMPL other than PHL, holding fully paid up equity shares in PRMPL and whose name appears in the Register of Members of PRMPL on the Effective Date, in proportion to their holdings in PRMPL and further, it is clarified that no Preference Shares will be issued to PHL in its capacity as shareholder of PRMPL, since pursuant to this Scheme, PHL will be merged into the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that until the Effective Date, PRMPL shall not issue or allot any further equity shares either rights or bonus or otherwise AND THIS COURT DOTH FURTHER ORDER that on the Scheme becoming effective all the employees of PRMPL in respect of the Leasing Business, as may be identified by the Board of Directors of PRMPL shall become the employees of the Petitioner Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date and the Petitioner Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date and the Petitioner Company further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with PRMPL in respect of the Leasing Business, shall also be taken into account and the Petitioner Company undertakes to continue to abide by the terms of agreement / settlement entered into by PRMPL in respect of the Leasing Business with employees' union / employee or associations of PRMPL in respect of the Leasing Business AND THIS COURT DOTH FURTHER ORDER that all legal proceedings of whatsoever nature by or against PRMPL in respect of the Leasing Business pending on and/or arising after at the Appointed Date, as and from the Effective Date shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme of Arrangement or by anything contained in this Scheme but shall be continued and enforced by or against the Petitioner Company in the manner and to the same extent as would or might have been continued and enforced by or against PRMPL AND THIS COURT DOTH FURTHER ORDER that subject to the other provisions of the Scheme, all contracts, deeds, bonds, insurance, Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature relating to the Leasing Business and to which PRMPL is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Petitioner Company, as the case may be, and may be enforced by or against the Petitioner

Company as fully and effectually as if, instead of PRMPL., the Petitioner Company had been a party thereto AND THIS COURT DOTH FURTHER ORDER that with effect from the Effective Date, subject to the Petitioner Company shall stand changed from "Morarjee Realties Limited" to "Peninsula Land Limited", or such other alternate name as may be approved by Registrar of Companies, Maharashtra AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the date of sealing of the order caused the certified copy of the order sanctioning the Composite Scheme of Arrangement and Amalgamation to be delivered to the Registrar of Companies, Maharashtra, Mumbai, for registration and upon such certified copy of the order being so delivered, the Registrar of Companies, Maharashtra, Mumbai shall consolidate all files, records and documents relating to the Transferor Company and Leasing Business of the Demerging Company maintained by him with the files, documents, records of the Petitoner Company AND THIS COURT DOTH FURTHER ORDER that liberty is reserved to the Petitioner Company and to all other persons interested in this Petition to apply to this Honorable Court herein as and when occasion may arise for any direction that may be necessary AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 2,500/- (Rupees Two Thousand Five Hundred Only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards the costs of the said Petition WITNESS SHRI DALVEER BHANDARI, Chief Justice at Bomabay aforesaid this 16th day September, Two Thousand Five.

BY THE COURT,

FOR PROTHONOTRY & SENIOR MASTER

SCAL

This 9th day of November 2005

ORDER sanctioning the Composite Scheme of)
Arrangement and Amalgamation under Sections)
391 to 394 of the Companies Act, 1956 drawn on)
the Application by M/s. RAJESH SHAH & CO.,)
Advocates for the Petitioner, having their office at)
16, Oriental Building, 30 Nagindas Master Road,)
Flora Fountain, Mumbai - 400 001.

SCHEDULE

COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION
BETWEEN
PIRAMAL HOLDING LIMITED
AND
PIRAMYD RETAIL AND MECHANDISING PRIVATE LIMITED
AND
MORARJEE REALTIES LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS

Preamble

1. The Composite scheme of Arrangement AND Amalgamation ("the Scheme") is presented under Section 391 to 394 and other applicable provisions of the Companies Act, 1956 for-

   a. the merger of Piramal Holding Limited ('PHL'), having its Registered Office at Crossroads, 28, Pandit M. M. Road, Haji Ali, Mumbai - 400 034 with Morarjee Realties Limited ('MRL'); having its Registered Office at 106, Peninsula Centre, Dr. S. S. Rao Road, Parel, Mumbai - 400 012 and

   b. the demerger of the Leasing Business of Piramyd Retail and Merchandising Private Limited ('PRMPL'), having its Registered Office at Crossroads, Pt. M. M. Malaviya Road, Haji Ali, Mumbai 400 034 into Morarjee Realities Limited pursuant to the relevant provisions of the Companies Act, 1956

2. The Scheme is divided into following parts:

   (a) Part A deals with the Introduction and Definitions ;

   (b) Part B deals with the Merger of PHL with MRL;

   (c) Part C deals with the Leasing Business from PRMPL to MRL;

   and

   (d) Part D deals with the Gerneral Terms and Conditions.

3. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

PART A - INTRODUCTION AND DEFINTIONS

1. Definitions

1.1 "Act" or "the Act" means the Companies Act, 1956 and shall include any statutory modification, re-enactment or amendments thereof the time being in force.

1.2 "Alpex" means Alpex International Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 405/408, Navbharat Estate, B Wing, 4th Floor, Zakaria Bunder Road, Sewri (West), Mumbai 400 015.

1.3 "Alpex Scheme" means the Scheme of Arrangement between PHL and Alpex file sanction of the Bombay High Court for transfer and vesting of demerged undertaken being part of the leasing and service center business of PHL into Alpex, under Companies Petition Nos. 130 and 131 of 2005

1.4 "Appointed Date" means the 1st day of April, 2005 or such other date as may approved by the Bombay High Court.

1.5 "Leasing Business" means the leasing business of PRMPL and includes

1.5.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto.

1.5.2 Without prejudice to the generality of the above, the Leasing Business shall include in particular:

(i) All property of or required for the above business wherever situated, including all current assets, funds, capital work in progress, furniture, fixtures, office equipment, appliances, accessories;

(ii) All permits, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expression of interest, municipal and other statutory permission, approvals, consents, licenses, registrations, subsidies, concessions, exemptions, remissions, tax deferrals, tenancies in relation to office, bank account, lease rights, licenses, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimiles connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Leasing Business;

(iii) All records, files, papers, engineering and process information, computer programs, manuals, data, catalogues, quotations, sales and advertising materials, lists of present and former customers and suppliers, customers credit information, customers pricing information, and other records, whether in physical form or electronic form in connection with or relating to the Leasing Business; and

(iv) Debts, duties, obligations, and liabilities (including contingent liabilities) relatable to the Leasing Business.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Leasing Business include:

(a) The liabilities, which arise out of the activities or operations of the Leasing Business.

(b) Specify loans and borrowings raised, incurred and utilised solely for the activities or operation of the Leasing Business.

(c) Liabilities other than those referred to in Sub-Clauses (a) and (b) above, being the amounts of general or multipurpose borrowing of PRMPL, allocated to the Leasing Business in the same proportion in which the value of the transferred under this Scheme bear to the total value of the assets of PRMPL immediately before giving effect to this Scheme.

1.5.3 All permanent employees of the Leasing Business, as identified by the Board of Directors of PRMPL, as on the Effective Date.

1.5.4 The Leasing Business would include all assets and liabilities other than those pertaining to the Remaining Business (as defined in Para 1.11), and

1.5.5 Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Leasing Business or whether it arises out of the activities or operations of the Leasing Business shall be decided by mutual agreement between the Board of Directors of PRMPL and MRL.

1.6 "Effective Date" means the date on which the certified or authenticated copy of the Orders of High Court of Judicature at Bombay under Section 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai by PHL, PRMPL and MRL.

1.7 "High Court" means the High Court of Judicature at Bombay or such other High Court having jurisdiction in the matter.

1.8 "MRL" or "the Transferee Company" means Morarjee Realties Limited, a company incorporated under Act, 10 of 1866 and having its registered office at 106, Peninsula Center, Dr. S. S. Rao Road, Parel, Mumbai 400 012.

1.9 "PHL" or "the Transferor Company" means Piramal Holding Limited a company incorporated under the Companies Act, 1956 and having its registered office at Crossroads, 28, Pandit M. M. Road, Haji Ali, Mumbai - 400 034.

1.10 "PHL Undertaking" means :

1.10.1 All the assets, properties and benefits of PHL as on the Appointed Date;

1.10.2 All debts, liabilities, contingent liabilities, duties and obligation of every kind and nature and description of PHL, whether provided in the books of account of PHL or not as on the date preceding the Appoint Date, and all liabilities of PHL which may accrue or arise after the Appoint Date but which relate to period immediately preceding the Appoint Date (hereinafter referred to as "the liabilities"0

1.10.3 without prejudice to the generality of sub-clauses 1.10.1 and 1.10.2, PHL Undertaking shall include all of PHL's movable and immovable assets and properties, real, corporeal, incorporeal, in possession or reversion, present and contingent, all other assets (whether tangible or intangible) of whatsoever nature, investments, lease and hire purchase contracts, rights, powers, authorities, allotments, approvals, consents, letters of intent, industrial and other liscences, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of any nature whatsoever and wheresoever situate of, belonging to or in the ownership, power of possession in control of or vested in or granted in favour of or enjoyed by PHL, including with being limited to all trade names, brands and other industrial and intellectual property and rights of any nature whatsoever and liscences assignments, grants in respect thereof, privileges, liberties, easements, contract advantages, benefits, premise approvals, authorizations, right to use and avail telephones, telexes, facsimile and other communication facilities, connections, equipments and installations, utilities, electricity and electronic and all other services, of any kind, nature, description whatsoever, reserves, provisions, funds, benefit of all agreements, arrangements, deposits, advances, recoverables and receivables whether from government, semi-government, local authorities or any other persons, etc. and all other rights, interests, claims, and power of every king, nature and description of and arising to PHL and cash and bank balances, all earnest moneys and/or deposits including security deposits paid by PHL.

1.10.4 Notwithstanding anything contained in the above sub-clauses, the PHL Undertaking shall not include, with effect from January 1, 2005, the 'Danerged Undertaking' if PHL as defined in the Alpex Scheme.

1.11 "PRMPL" OR "the Demerged Company" means Piramyd Retail and Merchandising Private Limited, a company incorporated under the Companies Act 1956 and having its registered office at Crossroads, Pt. M. M. Malaviya Road, Haji Ali, Mumbai 400 034.

1.12 "Preference Shares" means preference shares of Rs. 10 each to be issued and allotted by MRL to the shareholders of PRMPL under this Scheme, the terms of which are specified in Scheme - 1 hereto.

1.13 "Record Date" means the date to be fixed by the Board of Directors of MRL in consultation with the Board of Director PHL for the purposes of issue and allotment of equity shares of MRL to the shareholders of PHL, under the Scheme upon merger of PHL into MRL.

1.14 "Scheme" or "the Scheme" or "this Scheme" means this Composite Scheme of Arrangement and Amalgamation in its present form as submitted to the Hon'ble High Court or this Scheme with such modification (s), if any made, as per Clause 24 of the Scheme.

1.15 Any reference in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.

1.16 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1956 and other applicable laws, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification (s) approved or imposed or directed by the High Court of Judicature of Bombay or made as per Clause 24 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3 SHARE CAPITAL

3.1 The share capital of PHL as at May 31, 2004 is as under :

	Amount in Rupees
Authorised Capital	
2,50,00,000 Equity Shares of Rs. 10 each	25,00,00,000
	25,00,00,000
Issued, Subscribed and Paid-up	
1,00,06,672 Equity Shares of Rs. 10 each fully paid-up	1,00,06,672
	1,00,06,672

3.2 The share capital of PRMPL as at March 31, 2004 us as under :

	Amount in Rupees
Authorised Capital	
2,0,00,000 Equity Shares of Rs. 10 each	2000,00,000
	2000,00,000
Issued, Subscribed and Paid-up	
1,30,00,000 Equity Shares of Rs. 10 each fully paid-up	1,30,00,000
	1,30,00,000

Subsequent to March 31, 2004 the issued, subscribed and paid-up capital of PRMPL has been increased and revised as under :

	Amount in Rupees
Issued, Subscribed and Paid-up	
1,42,60,000 Equity Shares of Rs. 10 each	1,42,60,000
	1,42,60,000

3.3 The share capital of MRL as at March 31, 2004 is as under:

	Amount in Rupees
Authorised Capital	
4,00,00,000 Equity Shares of Rs. 10 each	40,00,00,000
Total	40,00,00,000
Issued and Subscribed	
1,94,76,900 Equity Shares of Rs. 10 each fully paid-up	19,47,69,000
Add: Forfeiture (Amount on 1,43,100 share forfeited)	5,54,000
Total	19,53,23,000

PART B - MERGER OF PHL WITH MRL

4. MERGER

4.1 With effect from Appoint Date, the PHL Undertaking shall, without further act, instrument or deed be and shall stand transferred to and vested in and/or deemed to be transferred to and vested in MRL as a going concern free from all encumbrances, but subject to subsisting charges as mentioned hereinafter and agreed to be created pursuant to the provisions of Section 391 to 394 and other relevant provisions of the Act and form part of the PHL Undertaking .

4.2 The transfer and vesting as aforesaid shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which PHL is a party wherein the assets of PHL have been or are 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 PHL Undertaking and vested in MRL by virtue of this Scheme to the end and intent that the changes shall not extend or deemed to extend to any assets of MRL.

Provide that the Scheme shall not operate to enlarge the security for the said liabilities of PHL which shall vest in MRL by virtue of the Scheme and MRL shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. The transfer / vesting of the assets of PHL as aforesaid shall be subject to the existing charges / hypothecation / mortgages over or in respect of the assets or any part thereof of PHL.

4.3 The liabilities shall also, without any further act, instrument or deed be and transferred to and vested in and assumed by any/or deemed to be transferred to and vested in and assumed by MRL pursuant to the provisions of Section 391 to 394 of the Act, so as to become the liability of MRL 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 have arisen, in order to give effect to the provisions of this Clause.

4.4 MRL may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the secured creditors of PHL or in favour of any other party to any contract or arrangement to which PHL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. MRL shall under the provisions of the Scheme be

deemed to be authorised to execute any such writings on behalf of PHL and to implement or carry out all such formalities or compliance referred to above on the part of PHL to be carried out or performed.

4.5 With effect from the Appointed Date and upon the Scheme becoming effective, all development rights, statutory licences, permissions, approvals or consents to carry on the operations and business of PHL shall stand vested in or transferred to MRL without any further act or deed and shall be appropriately maturated by the Statutory Authorities concerned in favour of MRL. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registrations or other licences and consents shall vest in and become available to MRL pursuant to this Scheme. In so far as the various incentives, subsides, rehabilitation Schemes, special status and other benefits or privileges enjoyed, granted by any Government body, local authority or by any other person, or availed of by PHL, are concerned, the same shall vest with and be available to MRL on the same terms and conditions.

5. ISSUE OF SHARES OF MRL

5.1 Upon this Scheme becoming operative and upon amalgamation of PHL in MRL in terms of this Scheme, MRL shall, without any application or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of PHL holding fully paid-up equity shares in PHL and whose names appear in the Register of Member of PHL, on the Record Date or to such of their respective heirs, executors, administrators or other legal representatives or other successor in title as may be recognized by the Board of Directors of PHL in the following proportion viz. :

“2 (two) fully paid up equity share of Rs. 10 each of MRL shall be issued and allotted for every 1 (One) equity shares of Rs. 10 each held in PHL (hereinafter referred to as "New Equity Shares”).

5.2 The New Equity Shares shall be issued in dematerialized form to those equity shareholders who hold the shares of PHL in dematerialized form, provided at details relating to account with depository participant are available to PHL / MRL. All those equity shareholders who hold shares of PHL in physical form shall be issued new equity or before such date as may be determined by PHL / MRL or committee created by the mutual agreement of the Board of Directors of PHL and MRL.

5.3 The New Equity Shares to be issued to the members of PHL under Clause 5.1 shall subject to the Memorandum and Articles of Association of MRL and shall rank passu with the

existing equity shares of MRL in all respects same and except that said equity shares shall be eligible for dividend for the period commencing from the Appoint Date.

5.4 MRL shall apply to the Mumbai and National Stock Exchange for listing of its equity shares, which will be allotted in pursuance of this Scheme.

5.5 Approval of this Scheme by the shareholders of PHL and MRL shall be deemed to be the due compliance of the provisions of Section 81 (1A) and the other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by MRL to the shareholders of PHL, as provided in this Scheme.

5.6 MRL has at present sufficient number of unissued equity shares in its authorised share capital. However if necessary, MRL will increase it's authorised share capital to facilitate allotment of its shares to the shareholders of PHL as provided in Clause 5.1 above.

6. ACCOUNTING TREATMENT IN THE BOOKS OF MRL

6.1 With effect from the Appoint Date, all the assets including investment, and liabilities appearing in the books of accounts of PHL Undertaking shall stand transferred to and vested in MRL pursuant to the Scheme and shall be recorded by MRL at their fair values.

6.2 MRL shall credit to the Share Capital Account in its books of account, the aggregate face value of the New Equity Shares of MRL issued and allotted under the Scheme by it to the equity shareholders of PHL pursuant to this Scheme.

6.3 The difference between the net assets and the face value of the shares issued as per Clause 6.2 above shall be credited or debited to the Capital Restructuring Account, as the case may be.

6.4 The Capital Restructuring Account shall be further credited with the balance in the Securities Premium Account.

6.5 The Capital Restructuring Account shall be debited with the following ;

(a) The balance in the Profit & Loss Account ; and

(b) The balance in the Miscellaneous Expenditure Account.

The balance in the Capital Restructuring Account after recording the entries contain in Clause 6.3, 6.4 and 6.5 shall be credited to the General Reserve Account.

The application and consequential reduction of the Securities Premium Account shall be effected as part of the Scheme only as the same does not invoice 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 the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction.

7. CONDUCT OF BUSINESS OF PHL TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date :

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

(b) PHL shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business prudence and shall not, except in the ordinary course of business or without prior written consent of MRL alienate, charge, mortgage, encumber or otherwise deal with or dispose of PHL or part thereof.

(c) All the profits of income accruing or arising to PHL or expenditure or losses arising or incurred or suffered by PHL pertaining to PHL Undertaking shall for purposes be treated and be deemed to be accrue as the income or profits or losses or expenditure as the case may be of MRL.

(d) PHL shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of MRL or pursuant to any pre-existing obligation undertaken by PHL as the case may be, prior to the Appointed Date.

(e) PHL shall not, without the prior written consent of MRL, undertake any new business or a substantial expansion of its existing business.

(f) MRL shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which MRL required pursuant to this Scheme.

8. EMPLOYEES

8.1 On the Scheme becoming effective all the employees of PHL shall become the employees of MRL, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. MRL further agrees that for the purpose of payment of any retirement benefit / compensation, such ---------- by the term or agreement / settlement entered into by PHL with employees union / employee or associations of PHL.

8.2 The accounts / funds of the employees whose services are transferred under Clause 8.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of MRL and such employees shall be deemed to have become members of such Trust / Funds of MRL.

9. LEAGAL PROCEEDINGS

9.1 As and from the Effective Date, all legal proceeding of whatsoever nature by or against PHL pending on and/or arising after the Appointed Date and relating to PHL Undertaking, shall be continued and enforced by or against MRL only in the manner and to the same extent as would have been continued and enforced by or against PHL. On and from the Effective Date, MRL shall and may, if required, initiate any legal proceedings in relation to PHL.

10. CONTRACTS

10.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the PHL Undertaking to which PHL is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of MRL, as the case may be, and may be enforced by or against MRL as fully and effectually as if, instead of PHL, MRL had been a party thereto.

10.2 MRL shall enter into and/or execute deeds, writing or confirmations or enter into any tripartite arrangements, confirmations or novations, to which PHL will, if necessary, also be party in order to give formal effect to the provisions of this Scheme if so required or becomes necessary. MRL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of PHL and to implement or carry out all formalities required on the part of PHL to give effect to the provisions of this Scheme.

11. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against PHL under Clause 10 above shall not affect any transaction or proceeding already concluded by PHL on or after the Appointed Date till the Effective Date, to the end and intent that MRL accepts and adopts all acts, deeds and things done and executed by PHL in respect thereto as done and executed on behalf of MRL.

12. DISSOLUTION OF PHL

On the Scheme becoming effective, PHL shall stand dissolved without being wound-up.

PART C - DEMERGER OF LEASING BUSINESS OF PRMPL INTO MRL

13. TRANSFER AND VESTING OF LEASING BUSINESS

The Leasing Business of PRMPL, as defined in Clause 1.5 shall stand transferred to add vested in or deemed to be transferred to and vested in MRL, as a going concern, in accordance with Section 2(19AA) of the Income Tax, 1961 and in the following manner :

13.1 With effect from the Appointed Date, the Leasing Business, shall, under the provisions of Section 391 and 394 and all other applicable provisions, if any of the Act, without any further act or vested in MRL, so as to vest in MRL all the rights, title and interest pertaining to the Leasing Business.

13.2 With effect from the Appointed Date, the liabilities of PRMPL relatable to the Leasing Business shall, without any further act or deed be and stand transferred to MRL so as to become as from the Appointed Date, the liabilities of MRL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this sub-clause. After the Effective Date, MRL undertakes to meet, discharge and satisfy the said liabilities to the exclusion of PRMPL and to keep PRMPL indemnified at all times from and against all such liabilities and from and against all such liabilities and from and against all actions, demands and proceedings in respect thereto.

13.3 With effect from the Appoint Date and upon the Scheme becoming effective, any statutory licences, permission or approvals or consents held by PRPML required to carryon operations in the Leasing Business shall stand vested in or transferred to MRL without any further act or deed, and shall be appropriately mutated by the statutory authorities

concerned therewith in favour of MRL. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licences, and concerned shall vest in and become available to MRL pursuant to the 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 person, or availed of by PRMPL relating to the Leasing Business, are concerned, the same shall vest with and be available to MRL on the same terms and conditions.

14.1 Upon this Scheme becoming operative and upon vesting of the Leasing Business of PRMPL in MRL in terms of this Scheme, MRL shall without any further application deed, issue and allot 1,000 Preference Shares of the face value of Rs. 10 each (Rupees Ten only) credited as fully paid-up to all shareholders of PRMPL, other than PHL holding fully paid up equity shares in PRMPL and whose name appears in the Register of Members of PRMPL on the Effective Date, in proportion to their holding in PRMPL. Further, it is clarified that no Preference Shares will be issued to PHL in its capacity as shareholders of PRMPL, since pursuant to this Scheme, PHL will be merged into MRL.

14.2 MRL shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment of Preference Shares to the members of PRMPL under the Scheme.

14.3 The Preference Share of MRL will be issued in physical form to all the equity shareholders who hold shares of PRMPL. One certificate shall be issued by MRL to every such member of PRMPL in respect of all Preference Shares allotted by MRL.

14.4 The said preference shares in MRL will be issued to the members of PRMPL shall be subject to the Scheme and the Memorandum and Articles of Association of MRL.

15. ACCOUNTING TREATMENT IN THE BOOKS OF MRL

15.1 MRL shall, upon the arrangement becoming operative, record the assets and liabilities of the Leasing Business of PRMPL vested in it pursuant to this Scheme, at the respective book values (ignoring revaluation) thereof, as appearing in the books of PRMPL at the close of business of the day immediately preceding the Appointed Date,

15.2 MRL shall credit to the Share Capital Account in its books of account, the aggregate face value of the Preference Shares of MRL issued and allotted by it to the equity shareholders of PRMPL pursuant to this Scheme.

15.3 The difference between the value of Preference Shares allotted and the value of net assets of Leasing Business of PRMPL shall be credited by MRL to the General Reserve Account or debited to the Goodwill Account, as the case may be.

16. ACCOUNTING TREATMENT IN THE BOOKS OF PRMPL

The (deficit) / surplus arising due to transfer of Leasing Business to MRL shall be debited to Profit & Loss Account or credited to Capital Reserve Account as the case may be.

17. CONDUCT OF BUSINESS BY PRMPL TILL EFFECTIVE DATE

With effect from the Appointed Date upto and including the Effective Date:

(a) PRMPL shall be deemed to have been carrying on and shall carry on its business and activities of Leasing Business and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets pertaining to the Leasing Business, for and on account of and in trust for a MRL, PMRL hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

(b) PRMPL shall carry on the business and activates of Leasing Business with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of MRL alienate, charge, mortgage, encumber or otherwise deal with or dispose off its Leasing Business or part thereof.

(c) All the profits or income accruing or arising to PRMPL or expenditure or losses arising or incurred or suffered by PRMPL pertaining to the Leasing Business shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of MRL.

(d) PRMPL shall not vary the terms and conditions of employment of any of the employees engaged in and for the Leasing Business expect in the ordinary course of business or without the prior consent of MRL or pursuant to any pre-existing obligation undertaken by PRMPL as the case may be, prior to the Appointed Date.

(e) MRL shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which MRL may required to own and operate the Leasing Business.

18. PROFITS, DIVIDEND, BONUS / RIGHT SHARES

18.1 PRMPL shall not utilize profits, if any, of the Leasing Business for any purpose including declaring or paying any dividend in respect of the period falling on and after the Appoint Date. PRMPL shall also not utilize profits, adjust or claim adjustment of the profit / loss as the case may be earned / incurred or suffered in respect of the Leasing Business after the Appointed Date.

18.2 Until the Effective Date, PRMPL shall not issue or allot any further equity shares either rights or bonus or otherwise.

19. EMPLOYEES OF LEASING BUSINESS

19.1 On the Scheme becoming effective all the employees of PRMPL in respect of the Leasing Business, as may be identified by the Board of Directors of PRMPL shall become the employees of MRL, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. MRL Business, shall also be taken into account. MRL undertakes to continue to abide by the terms of agreement / settlement entered into by PRMPL in respect of the Leasing Business with employees' union / employee or associations of PRMPL in respect of the Leasing Business.

19.2 The accounts / funds of the employees whose services are transferred under Clause 19.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trust / Funds of MRL in employees shall be deemed to have become members of such Trust / Funds of respect of the Leasing Business of PRMPL.

20. LEGAL PROCEEDINGS

20.1 All legal proceeding of whatsoever nature by or against PRMPL in respect of the Leasing Business pending on and/or arising after at the Appointed Date, as and from the Effective Date shall not abate or be continued or be in any way prejudicially affected by reason of the Scheme of Arrangement or by anything contained in this Scheme but shall be continued and enforced by or against MRL in the manner and to the same extent as would or might have been continued and enforced by or against PRMPL.

20.2 After the Appointed Date, if any proceeding are take against PRMPL in respect of the Leasing Business, it shall prosecute or defend the same, as the case may be, at the cost of MRL, and MRL shall reimburse and indemnify PRMPL against all liabilities and obligations incurred by PRMPL in respect thereof.

20.3 MRL undertakes to have all legal or other proceeding initiated by or against PRMPL referred to in Clause 20.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against MRL to the exclusion of PRMPL.

21. CONTRACT, DEEDS ETC.

21.1 Subject to the other provision of this Scheme, all contracts, deeds, bonds, insurance, Letter of Intent, undertaking, arrangements, policies, agreements and other instruments, if any, of whatsoever nature relating to the Leasing Business and to which PRMPL is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of MRL, as the case may be enforced by or against MRL as the case may be, and may be enforced by or against MRL, as fully and effectually as if instead of PRMPL, MRL had been a party thereto.

21.2 MRL shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which PRMPL will, if necessary, also be party in order to give formal effect to the provisional of this Scheme, if so required or becomes necessary. MRL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of PRMPL and to implement or carry out all formalities required on the part of PRMPL to give effect to the provisions of this Scheme.

22. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 13 above and the continuance of proceedings by or against PRMPL under Clause 20 above shall not affect any transaction or proceedings already conclude by PRMPL on after the Appoint Date till the Effective Date, to the end and intent that MRL accepts and adopts all acts, deeds and things done and executed by PRMPL in respect thereto as done and executed on behalf of MRL.

PART D - GENERAL TERMS AND CONDITIONS

23. CHANGE OF NAME

With effect from the Effective Date, subject to MRL obtaining all necessary regulatory approvals, the name of MRL shall stand changed from "Morarjee Realties Limited" to "Peninsula Land Limited", or such other alternate name as may be approved by Registrar of Companies, Maharashtra.

24. APPLICATION TO HIGH COURT

PRMPL, PHL and MRL shall with all reasonnable dispatch

make all necessary applications under Sections 391 and 394 of the Act and other applicable provisions of the Act to the High Court for seeking approval of the Scheme.

25. Modification or amendments to the scheme

25.1 PRMPL, PHL, and MRL by their respective Boards of Directors ("the Board; which term shall include Committee thereof), may assents to/make and/or consent to any modifications / amendments to the Scheme or to any conditions or limitations that the Courts and/or other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. Board), PRMPLM PHL and MRL by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or Orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

25.2 The term 'any other Authority' referred to in the foregoing clause shall specifically include Securities and Exchange Board of India ('SEBI') and the Stock Exchange with which the shares of MRL are listed and with which MRL will file a copy of the Scheme under sub-clause (f) of Clause 24 of the Listing Agreements (hereinafter referred to as "the concerned Stock Exchange") which authority may required such modification / amendments to the Scheme or stipulate and conditions or limitations as referred to in foregoing Clause while granting approval under the Scheme.

26. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

26.1 The Scheme being approved by the requisite majorities in number and value such classes of persons including the respective members and/or creditors of PRMPL, PHL and MRL as may be directed by the High Court.

26.2 The sanction of the Aplex Scheme by the High Court.

26.3 The sanction of the High Court under Section 391 and 394 of the said Act in favour of PRMPL, PHL and to the necessary Order under Section 394 of the said Act being obtained;

26.4 Certified of authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies at Maharashtra by PRMPL, PHL and MRL, as may be applicable.

26.5 Until the Scheme becomes effective, MRL shall not undertake and restructuring, reconstruction or reconstitution of MRL nor shall make any arrangement or compromise with any person or entity, including its creditors, without the approval of the Board of Directors of PRMPL, which approval may be given provided it does not prejudicially or adversely affect the rights of the holders of the preference shares to be allotted by MRL under the Scheme, to receive preferential dividend and to receive the amount of redemption of such preference shares.

26.6 Until the Scheme becomes effective, MRL shall not undertake any restructuring, reconstruction of MRL nor shall make any arrangements or compromise with any person or entity, including its creditors, without the approval of the Board of Directors of PHL, which approval may be giver provided it does not prejudicially or adversely affect the rights of the holders of the equity shares to be allotted by MRL under the Scheme.

27. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause to being obtained and/or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and/or the Order not being passed as aforesaid March 31, 2006 or within such further period or periods as may be agreed upon between PRMPL, PHL and MRL by their Boards of Director (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deeds done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

28. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of PRMPL, PHL and MRL arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by MRL.

Schedule - 1

TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES

Issuer	Morarjee Realties Limited
Instrument	Cumulative Redeemable Preference Shares
Face value	Rs. 10 per Preference Shares
Coupon Rate	5% per annum cumulative from the Appointed Date
Redemption	To be redeemed at the end of 10 years from the date of allotment.
Call Option	MRL will have an option to redeem the Preference Shares at any after the end of 18 months from the date of allotment. MRL exercises its call option, it will pay the amount of the face value of the Preference Shares along with dividend accrued upto the date on which is exercises the call option. In case MRL exercises the call option, its liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques / pay order for the redemption amount along with dedvidend.

IN THE HIGH COURT OF JUDICATION AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PENTITION NO. 483 OF 2005

CONNECTED WITH

COMPANY APPLICATION NO. 159 OF 2005

In the matter of the Companies Act, 1956 (1of 1956)

AND

In the matter of Sections 391 to 394 of the Companies Act 1956:

AND

In the matter of Companies Scheme of Arrangement and Amalgamation Between Piramal Holdings Limited and Piramyd Retail and Merchandising Private Limited and Morarjee Realties Limited and their respective shareholders

MORARJEE REALTIES LIMITED

..... Petitioner Company

ORDER SANCTIONING THE COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

Dated this 16th day of September, 2005

Filled this 9th day of November, 2005.

M/S RAJESH SHAH & CO.

Advocate for the Petitioner

16, Oriental Building,
30, Nagindas Master Road,
Flora Fountain,
Mumbai - 400 001.

HIGH COURT, BOMBAY

IN THE HIGH COURT OF JUDICATION AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PENTITION NO. 574 OF 2006

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Sections 391 to 394 of the Companies Act 1956:

AND

In the matter of Scheme of Amalgamation of The Dawn Mills Company Limited with Peninsula Land Limited and their respective shareholders

THE DAWN MILLS COMPANY LTD. ..... Petitioner.

With

Company Petition No. 575 of 2006

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of the Scheme of Amalgamation of The Dawn Mills Company Limited with Peninsula Land Limited and their respective shareholders

PENINSULA LAND LIMITED ..... Petitioners.

Mr. Janak Dwarkadas, Senior Advocate with Virag Tulsapurkar, Senior Advocate and Rajesh Shah C/o. Rajesh Shah & Co. for petitioners.

Mr. Dinesh S. Lakhani intervenor in person

Mr. Manu Sarekh intervenor in person

Ms. Celentine Elizabeth mascarinhro intervenor in person

Mr. K.V. Gautam, Dy. O.L. Present

Mr. C.J. Joy C/o. Pankaj Kapoor, R.D.

Coram	:	S.C. Dharmadhikar
Reserved	:	2nd February 2007
Pronounced	:	23rd April, 2007

ORAL JUDGEMENT :

1. These are company petitions seeking sanction to the scheme of amalgamation of Dawn Mills Company Ltd. (petitioner in C.P. 574/06) (for short Dawn Mills) with Peninsula Land Ltd. (petitioner in C.P.575 of 2006) (for short Peninsula). Petitioners are invoking powers of this Court under sections 391 of Companies Act, 1956.

2. Shortly stated the facts that The Dawn Mills Company Ltd. was incorporated on 30th March 1914 under The Companies Act. Incidently Dawn Mills in the transferor company. The petitioner Dawn Mills has in this petition set out details pertaining to its share capital as on 31st March 2005 and contended that subsequent to the balance sheet ending on 31st March, 2005, there is no change in the capital structure of the petitioner. The objects of the transferor company are also set out and it is contended that it carries on business of textile. However with a view to develop business in real estate, textile business was closed and real estate business was commenced. As far as transferor company is concerned Annexure B to Company Petition No. 374 is a copy of audited statement of account as on 31st March 2005 and Annexure B-1 is unaudited provisional statement of accounts of transferor company as on 30th June 2006.

3. The transferee company is Peninsula Land Limited. It was incorporated on 10th August, 1971 under the provisions of the Act, 10 of 1866 under the name and style of "Morarjee Goculdas Spinning & Weaving Co. Ltd." The name was changed to Morarjee Realties Ltd. on 8th September 2004. On 10th April 2006, the name was further changed to Peninsula Land Limited. The share capital of the Peninsula is on March 31, 2005 was Rs. 1,953.23 Lakhs. Subsequent to

balance sheet date, as per the scheme of arrangement and Amalgamation between Piramal Holdings Ltd. and Piramyd Retail and Merchandising Pvt. Ltd. with the Company approved by this Court on 16th September 2005. The Company has allotted and issued 2,00,13,344 equity shares of Rs. 10/- each to the erstwhile shareholders of Piramal Holdings in the ratio of two fully paid equity shares of Rs. 10/- each for every one equity share of Rs. 10/- each held in Piramal Holding and 1,000 preference shares of face value of Rs. 10/- each to the shareholders of Piramyd Retail and Merchandising, other than Pirmal Holding. the authorised share capital of Piramal Holdings Ltd. is Rs. 3,954.66 Lakhs.

4. The material provisions of the scheme of amalgamation are set out and copy of the scheme is also annexed. It is contended that the notice of the meeting convened pursuant to the orders made in Company Application No. 711 of 2006 was issued convertiabily to equity share holders of the Company, (Petitioner in C.P. 574 of 2006) as required under the orders passed by this Court and the averment in that behalf is at para 16 of the petition. The Chairperson of the petitioner has filed an affidavit dated 4th August, 2006 giving publication and service of notice convening meeting. The meeting was convened on the date and time as also at the venue fixed by the Court's Order and report of the Commissioner and report of meeting is forwarded. A copy of the same is annexed as Annexure H. The report is dated 20th August 2005.

5. As stated in the said report, the meeting of the equity shareholders was attended by 106 equity shareholders of the petitioner company present in person or through authorised representative or by proxies holding in the aggregate 1,93,236 equity shares of face value of Rs. 50/- each with an aggregate face value of Rs. 97,62,856. The arrangement embodied in the scheme, which was taken as read with the permission of the meeting, was briefly explained by the Chairperson to the equity shareholders attending the said meeting. A few of the shareholders spoke on the Resolution proposed for approval of the scheme and raised queries, which were replied to by the Chairperson.

6. Ms. Urvi Piramal, Chairperson of the meeting of the equity shareholders appointed Mr. Amit Desai, a shareholder who had expressed his desire for appointment, is the first scruitineer, and Mr. Nilesh Shah, an independent Practicising Company Secretary as the second Scrutineer. No equity shareholders objected to the appointment of the aforesaid Scrutineers. The Chairperson then requested Mr. M.V. Balajee

to initiate the process of polling by explaining the procedure of filling up the ballot paper which was issued to each equity shareholder attending the meeting and of inserting the same in the ballot box kept at the meeting hall in front of the equity shareholders present. The empty ballot box was shown to the members present, which was then locked by the scruitneers. the chairperson also informed them that the scrutiny of the ballot papers would be made by the two scruitneers.

7. The equity shareholders present in the meeting then cast their ballots on the scheme. On scrutiny by the Scruitneers 113 ballots representing 1,95,236 equity shareholders holding 1,95,250 equity shares having face value of Rs. 50/- were found. Five ballots were found to be invalid.

8. Ninety Nine equity shareholders holding 1,95,122 equity shares of Rs. 50/- each present either in person or by proxy or by authorised representative voted in favour of the scheme, two equity shareholders holding 26 equity shares of Rs. 50/- each, present in person or by proxy or by authorised representative voted against the scheme.

9. Similarly, in Company Petition No. 575 of 2006, the Transferee Company i.e. Peninsula Land Ltd. had set out all details in para 2 and 4 of this petition. After referring to the salient features of the scheme and its benefits, the company petition once again makes a reference to the orders, passed by this Court to convence meetings, proceedings at the meeting and requisit information with regard to the voting it the same. Appointment of Chairperson, first scrutineer and 2nd scruitneer has been referred to and even in this petition in para 20, it is stated thereof :

"20. Ms. Urvi Piramal, Chairperson of the meeting of the equity shareholders appointed Mr. Amit Desai, a shareholder who had expressed his desire for appointment, is the first scruitineer, and Mr. Nilesh Shah, an independent Practicising Company Secretary as the second Scrutineer. No equity shareholders objected to the appointment of the aforesaid Scrutineers. The Chairperson then requested Mr. M.V. Balajee to initiate the process of polling by explaining the procedure of filling up the ballot paper which was issued to each equity shareholder attending the meeting and of inserting the same in the ballot box kept at the meeting hall in front of the equity shareholders present. The empty ballot box was shown to the members present,

which was then locked by the scruitneers. the chairperson also informed them that the scrutiny of the ballot papers would be made by the two scruitneers."

In such circumstance, sanction to the scheme of amalgamation has been sought even in the petition filed by transferee company.

10. My attention is invited to the compliance made pursuant to the filing of this petition, in as much as, serving of notice on Regional Director and publication in the newspapers exhibited. My attention is also invited to the fact that a notice was served on the Official Liquidator (O.L. for short) requiring him to submit his report in terms of second provision to section 394(1) of the Companies Act.

11. Accordingly, the O.L. has submitted his report wherein he states that on receiving the notice of the petition, he invited quotations from Chartered Accountants from the approved panel and accordingly, this Court permitted him to engage services of M/s. S. R. Hegde and Co. Chartered Accountants, C.As, have scrutinised Books of Accounts and other relevant records of the transferor company for a period of five years from 1st April 2000 to 31st March 2005 and thereafter forwareded their comments along with report dated 18th October 2006. The salient features of the report have been referred to by the O.L. and based upon the queries raised by the C.As, and replies thereto by the transferor company, the C.As, have opined that the affairs of the transferor company have been conducted in a proper manner. Relying upon this report, the O.L. has submitted that the affairs of the transferor company are not conducted in the manner prejudicial to the interest of the members and public at large.

12. Reliance has also been placed upon the affidavit of Regional Director, Company Law Board (R.D. for short) which has been affirmed on 18th January, 2007. The R.D. states that after receipt of the notice and copies of the petition, accompanying the same, he forwarded the record to the concerned Registrar of Companies and requested him to send his report on the affairs of the Company. He also states that he has examined report of the ROC received pursuant to the above from various points viz. shareholders' interest and interest of creditors so also public interest. After getting out the salient features of the scheme, the R.D. has then pointed out that affidavits have been filed on behalf of the transferor and transferee companies disclosing that no proceedings are pending

against the company and its directors for violation of various laws such as Companies Act, FCMA, SEBI, IPC before any Court. The affidavits have been forwarded on behalf of those companies disclosing pending tax liabilities, if any and those towards employees and workers. Copies of the affidavits filed on behalf of these companies are annexed to the affidavit of R.D.

13. Thus, relying upon the report of ROC which in turn is based upon replies to the questionniers and the affidavits as above, the R.D. has stated that the scheme is not prejudical to the interest of creditors, shareholders and public. In such circumstances, he requests the Court to pass appropriate orders. This affidavit is dated 18th January, 2007.

14. In pursuance of the notice published in the newspapers, objections have been raised by one Dinesh Vrajlal Lakhani and the same are placed on affidavit. The transferror company has replied to the same.

15. Shri Lakhani, who has objected to the scheme, has raised the following contentions :

a) Failure of the petitioner company to comply with section 395 of the Companies Act, 1956 with regard to the explanatory statement.

b) The report of the Chairperson is vague and does not set out the apprehensions expressed by the shareholders or the clarification and answers given by the Chairperson at the meeting.

c) The petitioner company has not fully complied with and indeed violated the Bombay Stock Exchange (B.S.E.) listing agreement and more particularly clause No. 24(h) thereof.

d) The company has violated the Common Code Rule 78 which requires Scrutineer's Report to be filed in a prescribed form being Form No.37.

e) The company has not fully disclosed the result of the poll taken at the meeting.

f) The amalgamation is forced and thrust upon the minority shareholders of PHL. The swap ratio for amalgamation would demonstrate that the amalgamation is not in the interest of the share holders. Lastly, full and proper

disclosure of the financial affairs and past record of the petitioner is not made.

16. Shri Lakhani has elaborated these objections before me and has relied upon further affidavit filed by him.

17. The other persons, purporting to be affected by the scheme, have also appeared and opposed grant of any relief. Rather they have supported Shri Lakhani.

18. The Petitioners have relied upon their rejointer affidavit filed in opposition to the objections of Shri Lakhani and contended that each of the objections is frivolous in nature. They are raised by frustrated sole objector who is fully aware of the scheme and attended the meeting convened pursuant to the orders and directions of this Court. They submit that the sole objector had full opportunity to raise queries and put questions with regard to the scheme. He participated in the discussion and raised certain queries, which have been satisfactorily replied too. All these objections are highly technical in nature and in any event do not affect the scheme. An overwhelming majority of the shareholders had approved the scheme. Therefore, this Court should not take cognizance of the objections raised by Shri Lakhani.

19. Shri Dwarkadas and Shri Tulzapurkar, Learned Senior Counsel, appearing for the petitioners have invited my attention to the petition and annexures thereto, so also replies submitted by the Regional Director and Official Liquidator. They submit that the objection now raised are an afterthought and merely to delay the grant of approval/sanction to the scheme proposed in the Petition. They submit that both Regional Director and official liquidator have concurrently opined that the scheme is not prejudicial to the interest of the shareholders and creditors so also general public. Their opinions are based upon an assessment and scrutiny of the scheme. This assessment and scrutiny is on the basis of the reports made available to them by the Registrar of Company and Chartered Accountants. Therefore, there is no question of this Court exercising any appellate power and sitting in judgement over commercial wisdom of the petitioners and their shareholders so also assessment and scrutiny of the authorities named above. They invite my attention to the affidavit filed on record and more particularly that of Shri Hariharan. They submit that each of the objections have been met with by the petitioners in this affidavit and they have explained in detail as to how the procedure adopted does not suffer from any lacuna on error as contended.

20. Apart from this, Shri Tulzapurkar, learned senior counsel, invited my attention to the shareholding pattern of the two companies and submits that the sole objector has no locus standing in as much as he cannot object to the scheme. He is not a shareholder of the petitioner in Company Petition No. 574 of 2006. He submits that reliance on form no. 39 is totally misplaced. He submits that the voting pattern as disclosed at page 428 to 430 and 440 to 442 of the paperbook would reveal that an overwhelming majority has voted in favour of the scheme. He submits that even the votes per share have been correctly computed. shri Tulzapurkar places reliance upon the following descisions in support of his submissions :-

(a) Gujarat Least Financing Ltd.
[(2002) 36 SGL D38 (Guj)]

(b) Viyaz Indian Pesticides Pvt. Ltd.
[(2001) Comp. Caser 255)]

(c) Industrial Credit and Investment Corporation of India Ltd. Vs. Financial & Management Services Ltd. [(1998) 29 CLA 373 (Bom)]

(d) Securities and Exchange Board of India and Union of India Vs. Sterlite Industries (India) Ltd. [(113 Company Clauses 273)].

(e) Reliance Industries Ltd. (Company Petition No. 731 of 2005).

21. Shri Lakhani who is the sole objector to the Scheme has appeared and argued in person. The other persons have supported him, however, both the Regional Director and Official Liquidator have stood by the statements made by them in their respective affidavit/Report. It is in these circumstances that I am considering the objections raised to the scheme.

22. Before doing so, a reference can usefully be made to the settled principles.

23. In the latest decision of the Hon'ble Supreme Court in the case of Administrator of the Specified undertaking of Unit Trust of India & Vs. Garware Polyster Ltd., reported in (2005) 10, S.C.C. 682, the Supreme Court has reiterated these principles. the Court has observed as under :

"31. The restructuring package was evolved at the instance

of Industrial Development Bank of India which was the largest tender and the trustee upon obtaining a report in that behalf from KPMS, a reputed concern. A scheme envisaged under Section 391 of the Companies Act, it is well settled, is a commercial document."

"32. Section 391 read with Section 393 of the Act postulates that where a compromise or arrangement is proposed between a company and its creditors or any class of them; or between a company and its members or any class of them, the Court is required to direct holding or meetings of creditors or class of creditors or members or class of members who are concerned with such a scheme. In the event majority of the creditors representing three fourths in value of the creditors or class of creditors or members or class of members, as the case may be, present or voting either in person or by proxy at such a meeting accord their approval thereto thus put to votes, whereupon the court may consider the question of grant of sanction thereto. Section 391(1)(a) enjoins that requisite information therefor should be placed for consideration before the voters, in terms thereof the creditors or class of creditors can take an informed decision in relation thereto. The Court, however, would not grant sanction to such a scheme only because the same reflects the will of the majority of the creditors or a class of them but it must consider ill respect of the matter so as to arrive at a finding that the scheme is fair, just and reasonable and does not contravene public policy or any statutory provision. Such a care or caution is required to be exercised by all courts including the civil court in terms of Order 23 Rule 1 (Sec. 3) of the Code of Civil Procedure"

"33. The scope and jurisdiction of the Company Court has been examined at some length by a Division Bench of this Court in Mihcer H. Mafatlal wherein the board members of such jurisdiction have been enamerated indicating : (SCC p. 622, para 29).

> "6. That the proposed scheme of compromise and arrangement is not found to be violative of any provision of law and is not contrary to public policy. for ascertaining the real purpose underlying the scheme with a view to be satisfied on this aspect, the Court, if necessary, can pierce the veil of apparent corporate purpose underlying the scheme and can judiciously x-ray the same"

"8. That the scheme as a whole is also found to be just, fair and reasonable from the point of view of prudent men of business taking a commercial decision beneficial to the class represented by them for whom the scheme is meant."

"34. In J.K. (Bombay) (P) Ltd. Vs. New Kaiser E-Hind spg. & Wvg. Co. Ltd. it was held : (SCR p. 891-E-G).

"The principle is that a scheme sanctioned by the Court does not operate as a mere agreement between the parties, it becomes binding on the company, the creditors and the shareholders and has statutory force, and therefore, the joint debtor could not invoke the principle of accord and satisfaction. By virtue of the provisions of Section 391 of the Act, a scheme is statutorily binding even on creditors and shareholders who dissented from or opposed to its being sanctioned. It has statutory force in that sense and therefore cannot be altered except with the sanction of the Court even if the shareholders and the creditors acquicsce in such alteration."

"35. It is not the case of the appellants that the learned Company Judge has exceeded his jurisdiction and acted in violation of the said guidelines. Once it is held that the normal rule, namely, the principle of majority in corporate democracy or in other words, governance of the company by majority, is accepted, the appellants could not be heard to say that they had an absolute right to exercise veto power and thereby scuttle a bonafide attempt to revive a company."

Thus once the shareholders in their commercial wisdom have thought it fit to approve the scheme, this Court should be slow in interfering with their decision. Jurisdiction of this court in such matters is not appellate in nature but is founded on fairness. the Court is neither a supervisory nor an appellate forum to reappreciate the merits of the valuation. The scheme should not be contrary to law or unfair to shareholders of the company. If the procedure has been complied with, the scheme is backed by the requisite majority, the Creditors or members had the relevant material to enable them to arrive it a firm decision, the requisite material is placed before the Court by the applicant seeking sanction and the scheme is not violative of law or contrary to public policy so also is made in good faith and bonafide, then the Company Court has no jurisdiction. It must proceed to sanction the scheme so proposed by the company and approved by the shareholders.

22. In the present case the record shows that requisite majority in terms of Section 391(2) of Companies Act, has approved the scheme. In the affidavit which is filed by Shri V. Hariharan, Company Secretary of the petitioner in Company Petition No. 675 of 2006. This is what is stated on page 494 (para 4).

> "4. At the Court convened Meeting held on 21st day of August, 2006, the Scheme was approved by an overwhelming majority representing 99.99% of the value of shareholders present and voting and 99.06% of member of shareholdres approved the scheme. Only two shareholders holding 258 shares in aggregate voted against the scheme. Both the folios which voted against the scheme are held by the intervenor. In other words, no shareholder other than the intervenor has casted the vote against the scheme."

23. It has also been explained by the deponent that the sole objector was holding 258 equity shares of the petitioner (Peninsula Land Limited) in two differents folios. The aggregate holding of the intervener/objector represents 0.000653% of the total Issue and Paid up Equity share capital of petitioner in Company Petition No. 575 of 2006 viz. Peninsula. He is the only share holder who has voted against the scheme. According to the petitioner, the objection is not at all bonafide and various baseless allegations have been made which are also false, and misleading. As far as the objections raised, it is clarified that every notice calling the meeting of the members of the company should be accompanied by the statement setting forth the terms of the compromise of the arrangement and explaining its effect and in particular stating any material interest of the Director, Managing Director or Manager of the Company. Section 393 of the Companies Act provides for the same. Further, Rule 73 of the Rules prescribes the form of notice. It is specifically stated that the notice and explanatory statement sent to the shareholder is in compliance with the aforesaid. Its draft was approved by the Company Registrar. It is pointed out that neither the Stock Exchange nor any regulatory authority has raised any objection to the contents of the notice and explanatory statement. It is also pointed out without prejudice to the above statement that the details such as totally constructed and vacant lands and available FSI could not have been disclosed at the time the notices were sent as definite plans were not formulated with regard to the development of the mills land.

24. My attention has been invited by the learned Senior Counsel appearing for the petitioners to this affidavit and more particularly paras 13 and 14 thereof.. Para 14 of the affidavit (pages 497-499) reads thus :

"As regards allegations made by the intervenor in para 6.1 of his Affidavit I would like to state neither the Companies Act, 1956 nor the Company Court Rules prescribes a format in which the Scruitineers are required to submit their report to the Chairperson appointed for the Court convened Meeting. The format in which the Chairperson is required to report the result of the meeting is given in Form 39 of the Company Court Rules. In formation as required in Form 39 is available in the Chairperson's Report and the Scrutineers Report annexed to the Chairperson's Report. the Chairperson's Report has been filed in a customary format to the satisfaction of the High Court Registrar who has not raised any query in this regard. Further, the Petition was admitted by the Hon'ble High Court after considering the Chairperson's report and accordingly, the allegations made in para 6.1 are baseless. Further, my response to the specific allegations made by intervenor in para 6.1 is as under :

a) As regards allegations made in Para 6.1(a), I would like to state that voting on a scheme of arrangement under section 391-394 are based on the number of folios held by the members in different combinations. Although there may be 60-70 persons present at the meeting, persons holding shares in different folios and different combination are required to be considered as a seperate vote and the same was so done by the Petitioner Company. Further, several proxies were received in name of a person who was personally present at the meeting thereby increasing the number of votes vis-a-vis the number of shareholders physically present. In this regard, I would also like to mention that the votes cast by the Intervenor have in past been considered as two separate votes as the Intervenor holds shares of the Petitioner Company in two separate folios in different combination. The Intervenor is well aware of this position but persists in raising untenable contentions.

b) As regards allegations made in Para 6.1(b), I would like to state that Scrutineers have in their report to the Chairperson mentioned the reasons for invalidating the same and the same is considered sufficient. A list of ballot papers considered invalid along with additional information as regards whether voted in favour or

aganist the Scheme is enclosed in Annexure B, without prejudice to the above, I would like to state that on a perusal of the list, out of 16 ballot papers representing 14 shareholders were considered invalid, of which 13 shareholders holding 18,972 equity shares casted their votes for the Scheme whereas only one of the votes by a shareholder holding 308 equity shares of the Petitioner Company was cast against the Scheme. hence there is no impact on the outcome of the meeting.

c) As regards allegations made in Para 6.1 (c), I would like to state that neither the Companies Act, 1956, nor the Company Court Rules make it obligatory on the petitioner company to make disclosure in the Chairperson's Report whether voting was done by a shareholder in person or by proxy. therefore, no disclosure thereof does not result in any violation and / non compliance with the Company Court Rules.

d) As regards allegations made in Para 6.1 (d), I would like to state that neither the Companies Act, 1956 nor the Company Court Rules make it obligatory on the Petitioner Company to make disclosure as to which of the joint holders have voted. Therefore, non disclosure thereof does not result in any violation and/non compliance with Company Court Rules.

e) As regards allegations made in Para 6.1 (e), I would like to state that neither the Companies Act, 1956 nor the Company Court Rules make it obligatory on the Petitioner Company to make disclosures of the names of the proxy/representative who have attended and voted. Therefore, non disclosure thereof does not result in any violation and/non compliance with Company Court Rules.

f) As regards allegations made in Para 6.1 (f), I would like to state that in case the same shareholder is holding multiple folios in same combination of holding, the holdings have been consolidated and the votes cast in respect of such consolidated holdings have been considered as one vote. In case a share holder is holding shares in more than one folio but in different combination and has voted in the meeting, then each such vote is considered as a seperate vote/person. Further, there are cases wherein various shareholders have given proxy in favour of a single person. Votes cast by such a person as proxy for different shareholders have been considered as seperate votes. Keeping this principle in mind, votes cast by the Intervenor in two seperate folios held in

different combination have also been considered as two seperate votes.

g) As regards clarification sought in Para 6.1 (g), I would like to mention that there were certain cases where a shareholder was holding shares in different folio's in same combination of holdings and for the purpose of computing the simple majority they have been considered as one person present. What is relevant to note that though different folio's have been consolidated, all the underlying shares have been considered.

h) As regards observation made in Para 6.1 (h), I would like to state that Mr. Jhaveri is a shareholder of the Petitioner Company who holds 10 equity shares. I would like to mention that the Scrutineers had taken custody of the ballot box immediately after the Court Convened meeting and had at the time of counting put their initials on the ballots for the purpose of identification and have mentioned names in respect of all the ballots cast. Had Mr. Jagdish Jhaveri cast his vote and if he would have voted against the Scheme, the outcome of the Court Convened meeting would in no manner whatsoever be impacted.

i) All the issues raised by the Intervenor have been dealt within my reply. Further, it is evident that there are no justification in any issues raised by the Intervenor. Accordingly, the Hon'ble High Court need not accade to the request made by the Intervenor of giving him an inspection of the ballot papers, proxy and proxy register and other relevant documents. Without prejuduce to the above, the proxy forms and proxy register were open for inspection at the Court Convened Meeting. However, the intervenor did not inspect the same and is now raising various irrelevant and/or insignificant issues on the process with the malafide intention of delaying the process for personal gains. In case the Hon'ble High Court grants him an opportunity to inspect the ballot papers and other relevant documents there will be no change in the outcome of the Court Convened meeting but would delay the entire process of implementation of the Scheme and would impact interest of public shareholders of both the companies who do not have any objection in relation to the Scheme. In any event, at this stage, the Intervenor is not entitled to inspection."

25. It has also been pointed out on affidavit that the copies of the Audited Statement of Account for the year 2004-2005 are

enclosed with the petition. The financial results of the Company for the period ending 30th June, 2006 have also been enclosed. The petition is filed on 28th August, 2006. Hence, it was not possible for the Company to file its financial position for the quarter, July to September, 2006. The Learned Senior Counsel has invited my attention to para 16 of this affidavit and have contended that the notices were duly served and advertisement was also published as per the direction of this Court. It is pointed out on oath that 253 members representing 3,02,45,904/- equity shares chose to attend the meeting in person and/or through proxy and/or through authorised representative. 215 valid votes have been cast and scheme has been approved by overwhelming majority representing 99.99% of value of the shareholders. Thus it has been pointed out that only two shareholders/Intervenors cast their votes against the Scheme. The Scheme will benefit the shareholders of both companies as both companies are under the same management and amalgamation will result in several benefits to the shareholders. It is contended that the sole objector/intervenor cannot suggest to the companies in question any steps or measures while formulating and proposing the scheme. It is pointed out that it was not possible for Peninsula to acquire the shares at the time when there was uncertinity with regard to commercial development of the Mill's land in Mumbai. Hence, a decision was taken and the funds of shareholders of Peninsula were not utilised for acquiring the shares of Dawn Mills Company Limited. Since the controversy with regard to the commercial exploitation of Mill lands is now over having regard to the decision of the Hon'ble Supreme Court, it is proposed that Dawn Mills will merge into Peninsula so that the land of Dawn Mills which is situated in prime area can be made available for commercial development. This would result in enhancing the shareholders value. Considering the benefits and advantages so also the commercial gains, the shareholders of both companies, have approved the scheme and intervenor cannot obstruct the implementation of the same. It is also submitted that there is no violation of any listing agreement of Stock Exchange. In the affidavit, it has been specifically pointed out that the scheme was filed with the Bombay Stock Exchange and National Stock Exchange for their approval and both the Stock Exchange have approved the scheme. The copies of their approval letters are duly enclosed to the affidavit.

26. I am of the view that there is much substance in the contention of the learned Senior Counsel appearing for the petitioners. Each of the objections of the intervenor which have been noted by me have been fully dealt with and replied to by the petitioners.

27. The Scheme proposed is fair and reasonable. It is not opposed to public policy. It is approved by an overwhelming majority at a meeting which was attended by the Intervenors. They raised queries and sought replies in the presence of Court appointed Chairman. Even the polling was fair. It was conducted by independent scrutinisers. Since the intervenor had complete opportunity to study and inspect the scheme and related papers, so also participate and vote freely at the meeting, their technical objections need not be gone into in any further details. More so, when no prejudice is demonstrated by the procedure adopted.

28. On this behalf, the petitioners have explained that as a result of amalgamation the share holding of the promoters in Peninsula is not increased. Without prejudice, it is pointed out that the valuation exercise was carried out by independent firm of Chartered Accountants of repute. The valuers have suggested the share value ratio which has been accepted by the Board of both companies and also by the share holders. Stock Exchanges have also approved the scheme after seeking clarifications from the petitioners in relation to the exercise pertaining to the valuation of the shares. It is denied that the newspaper report could be relied upon for supporting totally false and baseless allegations. It is pointed out that the gain accruing to the promoters of the petitioners company on account of the price of the shares as quoted on the Stock Exchanges will be made avilable to all the shareholders.No preference has been accorded to the promoters group and all shareholders rank equally. Thus, the affidavit and more particularly the averments in paras 19 to 25 of the same fully answer all queries and objection which have been raised.

29. The Intervenor, therefore, is not right in contending that the Scheme is in any manner prejudical to the interest of the shareholders. It is not possible to agree with the Intervenor in as much as he has failed to point out as to how the sanction to the scheme would be detrimental to the interest of all concerned. Merely collecting the contentions which have been placed on affidavit and noted by me, above and making allegations against the promoters and the valuers etc. would bot be enough.

30. On this behalf, I have also perused the further affidavit which has been filed by the sole objector. In my view, the contents of the affidavits of one Chetan Nage, Company Secretary of Dawn Mills Company Ltd. and the Company Secretary of Peninsula are relevant. Both have asserted that the procedures being fully complied with and the scheme having been approved by the requisite majority of the share holders, repeated false

assertion, on affidavit but without any basis and supporting material should not be taken into consideration. I find substance in this assertion.

29. I have with the assistance of the learned Counsel and Intervenor perused all the affidavits and annexures so also other documents placed on record. For the reasons set out by me above and considering the fact that the sole objector/ intervenor is not even a shareholder of Dawn Mills Ltd. It would not be proper to uphold the objections raised by him so also other objectors, Elizabeth Mascarhans and Manu Parekh. It is not necessary to enter into any larger controversy about the locus standing of the intervenor Mr. Lakhani. The learned Senior Counsel has placed reliance upon several decisions and has contended that the objections raised are not tenable. However, as I am of the view that the objections are not worthy of acceptance for the reasons assigned above, then, it is not necessary to decide the question of locu standi of the intervenor, Shri Dinesh Lakhani.

30. I am of the view that each of the objections noted by me have been replied and dealt with satisfactorily by the petitioners. The petition contains necessary avertments and declarations so also the relevant particulars. There is no suppression of any material facts as alleged. Further, the Financial position and all relevant documents and reports are placed on record. Statutory authorities have found that the scheme is in public interest and not prejudicial to the interest of the shareholders or creditors either. After the scheme having been approved at the meeting convened pursuant to the orders of this Court and reports of the Chairman and scrutineer placed on record in due compliance of the same, then, it is not possible to hold that the scheme does not deserve sanction or approval of the Court. All statutory requirements as noted in the Supreme Court decision have been complied with. Bearing in mind the principles set out above, in my view, the scheme deserves to be sanctioned.

31. The Intervenor has relied upon certain judgements, a complication of which has been handed in. The decision of the learned Single judge of Gujarat High Court in Bank of Baroda Ltd. Vs. Mahindra Ugine Steel Co. Ltd. reported in 1976(46) Company Cases 227, refers to the settled principles. Reliance upon a English decision is totally misplaced. There, in the peculiar facts of that case and considering the practice adopted in pushing through the scheme of amalgamation and merger prevalent at that time, certain observations have been made by the Hon'ble Judges, in Dorman Long and Co. In re South

Durham Steel and Iron Co. It is, therefore, clear that each case has been dealt with on its own merits. Whether the approval should be granted to the scheme or not is dependent upon requisite statutory provisions having been complied with in individual cases. It is not as if minor deviations and technical objections have been taken into consideration and approval is denied. On the other hand, in all decisions which have been relied upon by the intervenor, the well settled principles have been noted and when it is found that there is no compliance with law in individual cases, that the sanction or approval has been denied. Hence, it is not proper to rely upon the decision in any individual case.

32. The intervenor places strong reliance upon certain observations in the cases where he had objected to the approval of the scheme of amalgamation and each objection has been noted and according to the objector/intervenor accepted by this Court. Once again, the observations in **Tainwala Polycontainers Limited** unreported judgment dated 15th October, 1998 in Company Petition No. 563 of 1998 with Company Application No. 125 of 1998 (Coram : F.I. Rebello J.) and **Park Davis (India) Ltd.** reported in 2004(1) BCR 120 are concerned, it must be stated that the scheme itself in "Tainwala" came to be withdrawn as no approval was sought by the petitioner to the same before the Division Bench. In Park Davis's case observations have been made during the course of hearing of an Application for interim reliefs. There the objections raised by the objector could not be prima facie rebutted by M/s. Park Davis and that is how notice of motion has been allowed. Thus, it is again an individual case, the minutes of the order in the case of Pirumalia Chemicals Ltd. do not amount to any judgment or ruling which is capable of being relied upon. Hence, no reliance can be placed on the above decision and orders.

33. In the light of the above discussion, Company Petition No. 574 of 2006 is made absolute in terms of prayer clauses (a) to (d) and Company Petition No. 575 of 2006 is made absolute in terms of prayer clauses (a) to (c). Cost of R.D. and O.L. quantified at Rs. 2,500/- each. All concerned to act on an authenticated copy of this order. Drawn up order despensed with.

34. At this stage the sole Objector Shri Lakhani prays for stay of this order for a period of eight weeks. Shri Shah appearing for Petitioners has opposed this request. He states that as it is Company Petitions were heard and orders were reserved for judgment for a long time. Hence, the petitioners would be

prejudiced if stay is granted. Taking a overall view, it is directed that the concerned parties/authorities shall not act upon this order for a period of four weeks from the date on which authenticated copy is made available to either party.

(S.C. Dharmadhikari. J)

SCHEME OF AMALGAMATION

OF

THE DAWN MILLS COMPANY LIMITED

WITH

PENINSULA LAND LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

Preamble

The Scheme of Amalgamation ("the Scheme") is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for the merger of The Dawn Mills Company Limited ('Dawn'), having its Registered Office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012 with Peninsula Land Limited ('PLL'), having its Registered Office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012, and

1. Definitions

1.1 **"Act"** or **"The Act"** means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.

1.2 **"Appointed Date"** means the 1st day of July, 2005 or such other date as may be approved by the Bombay High Court.

1.3 **"Dawn"** or **"the Transferor Company"** means The Dawn Mills Company Limited, a company incorporated under the Act No. VI of 1882 of the Legislative Council of India and having its Registered Office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012.

1.4. **"Effective Date"** means the date on which the certified or authenticated copy of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra at Mumbai by Dawn and PLL.

1.5 **"High Court"** means the High Court of Judicature at Bombay or such other High Court having jurisdiction in the matter.

1.6 **"PLL"** or **"the Transferee Company"** means Peninsula Land Limited (formerly known as 'Morarjee Realities Limited'), a company incorporated under Act 10 of 1866 and having its registered office at 106, Peninsula Centre, Dr.S.S. Rao Road, Parel, Mumbai 400 012.

1.7 **"Record Date"** means the date to be fixed by the Board of Directors of PLL in consultation with the Board of Directors of Dawn for the purposes of issue and allotment of equity shares of PLL to the shareholders of Dawn, under the Scheme upon merger of Dawn into PLL.

1.8 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation in its present form as submitted to the Hon'ble High Court or this Scheme with such modification(s), if any made, as per Clause 14 of the Scheme.

1.9 Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.

1.10 All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature of Bombay or made as per Clause 14 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The Share Capital of Dawn as at March 31, 2005, is as under :

	Rupees in Lacs
Authorised Capital	
2,50,000 Equity Shares of Rs. 50/- each	125
7,50,000 Unclassified Shares of Rs. 50/- each	375
Total	**500**
Issued, Subscribed and Paid-up	
2,50,000 Equity Shares of Rs. 50/- each fully paid-up	125
Total	**125**

3.2 The Share Capital of PLL as at March 31, 2005, is as under :

	Rupees in Lacs
Authorised Capital	
4,00,00,000 Equity Shares of Rs. 10/- each	4,000.00
Total	**4,000.00**
Issued and Subscribed	
1,94,76,900 Equity Shares of Rs. 10/- each fully paid-up	1,947.69
Add forfeiture of shares	5.54
Total	**1,953.23**

Subsequent to the Balance Sheet date, as per the Scheme of Arrangement and Amalgamation between Piramal Holdings Limited ('PHL') and Piramyd Retail and Merchandising Private Limited ('PRMPL') with the Company approved by the Honourable Bombay High Court, the Company has allotted and issued 2,00,13,344 equity shares of Rs. 10/- each to the erstwhile shareholders of PHL in the ratio of two fully paid equity shares of Rs. 10/- each for every one equity share of Rs. 10/- each held in PHL and 1,000 preference shares of face value of Rs. 10/- each to the shareholders of PRMPL other than PHL.

The Share Capital of PLL as on date is as under :

	Rupees in Lacs
Authorised Capital	
3,99,99,000 Equity Shares of Rs. 10 each	3,999.90
1,000 5% Cumulative Redeemable Preference Shares of Rs. 10 each	0.10
Total	**4,000.00**
Issued and Subscribed	
3,94,90,244 Equity Shares of Rs. 10 each fully paid up	3,949.02
1,000 5% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid	0.10
Add : Forfeiture of shares	5.54
Total	**3,954.66**

4. MERGER

4.1 With effect from the opening of the business as on the Appointed Date, the entire business and whole of the undertaking of Dawn, including but not limited to land and building, inventories, receivables, cash and bank balances, investments of all kinds (including shares, scrips, stocks, bonds, debenture stock, units or pass through certificates), cash balances with banks, loans, advances, contingent right or benefits, receivables, benefit of any deposits, financial assets, leases, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, powers, authorities, allotments, approvals, permits and consents, quotas, rights, entitlements, contracts, licenses (industrial and otherwise) development rights, whether vested or potential and whether under agreements or otherwise) municipal permissions including obligations thereunder, tenancies, and all advantages of whatsoever nature and wheresoever situate belonging to or enjoyed by the Transferor company, including but without being limited to trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, authorizations, permits, approvals, rights to use and avail of telephones, telexes and all other assets shall, without further act, instrument or deed be and shall stand transferred to and vested in and/or deemed to be transferred to and vested in PLL as a going concern free from all encumbrances, but subject to subsisting charges as mentioned hereinafter and agreed to be created pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act and forming part of the assets and liabilities of PLL.

4.2 The transfer and vesting as aforesaid shall be subject to the existing charges / hypothecation / mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which Dawn is a party wherein the assets of Dawn have been or are 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 Dawn and vested in PLL by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of PLL.

Provided that the Scheme shall not operate to enlarge the security for the said liabilities of Dawn which shall vest in PLL by virtue of the Scheme and PLL shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. The transfer / vesting of the assets of Dawn as aforesaid shall be subject to the existing charges / hypothecation / mortgages over or in respect of the assets or any part thereof of Dawn.

4.3 The liabilities shall also, without any further act, instrument or deed be and transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by PLL pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of PLL 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 have arisen, in order to give effect to the provisions of this Clause.

4.4 PLL may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the secured creditors of Dawn or in favour of any other party to any contract or arrangement to which Dawn is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. PLL shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of Dawn and to implement or carry out all such formalities or compliance referred to above on the part of Dawn to be carried out or performed.

4.5 With effect from the Appointed Date and upon the Scheme becoming effective, all development rights, statutory licences, permissions, approvals or consents to carry on the operations and business of Dawn shall stand vested in or transferred to PLL without any further act or deed and shall be appropriately mutated by the Statutory Authorities concerned in favour of PLL. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registrations or other licences and consents shall vest in and become available to

PLL 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 person, or availed of by Dawn, are concerned, the same shall vest with and be available to PLL on the same terms and conditions.

5. ISSUE OF SHARES OF PLL

5.1 Upon this Scheme becoming operative and upon amalgamation of Dawn into PLL in terms of this Scheme, PLL shall, without any application or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of Dawn holding fully paid-up equity shares in Dawn and whose names appear in the Register of Members of Dawn, on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of Dawn in the following proportion viz. :

"20 (Twenty) fully paid up equity share of Rs. 10/- each of PLL shall be issued and allotted for every 1 (One) equity shares of Rs. 50/- each held in Dawn (hereinafter referred to as "New Equity Shares").

5.2 The New Equity Shares shall be issued in dematerialized form to those equity shareholders who hold the shares of Dawn in dematerialized form, provided all details relating to account with depository participant are available to Dawn / PLL. All those equity shareholders who hold shares of Dawn in physical form shall be issued new equity shares in PLL in physical form unless communicated in writing by such shareholder on or before such date as may be determined by Dawn / PLL or committee created thereof.

5.3 The New Equity Shares to be issued to the members of Dawn under Clause 5.1 shall be subject to the Memorandum and Articles of Association of PLL and shall rank pari passu with the existing equity shares of PLL in all respects from the date of their allotment as per Clause 5.1 above.

5.4 PLL shall apply to the Stock Exchange, Mumbai and National Stock Exchange for listing of its New Equity Shares, which will be allotted in pursuance of this Scheme.

5.5 Approval of this Scheme by the shareholders of Dawn and PLL shall be deemed to be the due compliance of the provisions of Section 81 (1A) and the other relevant and applicable provisions of the Act for the issue and allotment of Equity Shares by PLL to the shareholders of Dawn, as provided in this Scheme.

5.6 PLL may increase it's authorised share capital, if necessary, to facilitate allotment of its shares to the shareholders of Dawn as provided in Clause 5.1 above.

6. ACCOUNTING TREATMENT IN THE BOOKS OF PLL

6.1 With effect from the Appointed Date, all the assets including investments and liabilities appearing in the books of accounts of Dawn shall stand transferred to and vested in PLL pursuant to the Scheme and shall be recorded by PLL at their book values.

6.2 PLL shall credit to the Share Capital Account in its books of account, the aggregate face value of the New Equity Shares of PLL issued and allotted under the Scheme by it to the equity shareholders of Dawn pursuant to this Scheme.

6.3 The difference, between the value of net assets of Dawn transferred to PLL and recorded by PLL pursuant to the High Court Order at their book value over the value of shares allotted by PLL and as reduced by the amount of Miscellaneous Expenditure (to the extent not written off) appearing in the books of Dawn and expenditure incurred on amalgamation by PLL will be adjusted in the General Reserve Account and/or the credit balance of Profit & Loss Account of PLL.

7. CONDUCT OF BUSINESS OF DAWN TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date :

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

(b) Dawn shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of PLL alienate, charge, mortgage, encumber or otherwise deal with or dispose of Dawn or part thereof.

(c) All the profits or income accruing or arising to Dawn or expenditure or losses arising or incurred or suffered by Dawn shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of PLL.

(d) PLL shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which PLL may require pursuant to this Scheme.

8. EMPLOYEES

8.1 On the Scheme becoming effective all the employees of Dawn shall become the employees of PLL, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. PLL further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with Dawn shall also taken into account. PLL undertakes to continue to abide by the terms of agreement / settlement entered into by Dawn with employees union / employee or associations of Dawn.

8.2 The accounts / funds of the employees whose services are transferred under Clause 8.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of PLL and such employees shall be deemed to have become members of such Trust / Funds of PLL.

9. LEGAL PROCEEDINGS

As and from the Effective Date, all legal proceedings of whatsoever nature by or against Dawn pending on and/or arising after the Appointed Date and relating to Dawn, shall be continued and enforced by or against PLL only in the manner and to the same extent as would have been continued and enforced by or against Dawn. On and from the Effective Date, PLL shall and may, if required, initiate any legal proceedings in relation to Dawn.

10. CONTRACTS, DEEDS, ETC.

10.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to Dawn to which Dawn is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of PLL, as the case may be, and may be enforced by or against PLL as fully and effectually as if, instead of Dawn, PLL had been a party thereto.

10.2 PLL shall enter into and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Dawn will, if necessary,

also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. PLL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Dawn and to implement or carry out all formalities required on the part of Dawn to give effect to the provisions of this Scheme.

11. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets and liabilities under Clause 4 above and the continuance of proceedings by or against Dawn under Clause 10 above shall not affect any transaction or proceeding already concluded by Dawn on or after the Appointed Date till the Effective Date, to the end and intent that PLL accepts and adopts all acts, deeds and things done and executed by Dawn in respect thereto as done and executed on behalf of PLL.

12. DISSOLUTION OF DAWN

On the Scheme becoming effective, Dawn shall stand dissolved without being wound-up.

13. APPLICATION TO HIGH COURT

Dawn and PLL shall with all reasonable dispatch make all necessary applications under Sections 391 and 394 of the Act and other applicable provisions of the Act to the High Court for seeking approval of the Scheme.

14 MODIFICATION OR AMENDMENTS TO THE SCHEME

Dawn and PLL by their respective Boards of Directors ("the Board", which term shall include Committee thereof), may assent to/make and/or consent to any modifications / amendments to the Scheme or to any conditions or limitations that the Courts and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). Dawn and PLL by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or Orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

15. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

15.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Dawn and PLL as may be directed by the High Court.

15.2 The sanction of the High Court under Section 391 and 394 of the said Act in favour of Dawn and PLL under the said provisions and to the necessary Order under Section 394 of the said Act being obtained;

15.3 Certified or authenticated copy of the Order of the High Court sanctioning the Scheme being filed with the Registrar of Companies at Maharashtra by Dawn and PLL, as may be applicable.

16. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and/or the Order not being passed as aforesaid before June 30, 2007 or within such further period or periods as may be agreed upon between Dawn and PLL by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme.

17. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Dawn and PLL arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by PLL.

IN THE HIGH COURT OF JUDICATURE

AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 575 OF 2006

CONNECTED WITH

COMPANY APPLICATION NO. 712 OF 2006

In the matter of the Companies Act, 1956 (1 of 1956)

AND

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

AND

In the matter of Scheme of Amalgamation of The Dawn Mills Company Limited with Peninsula Land Limited and their respective shareholders

PENINSULA LAND LIMITED ..Petitioner Company

Authenticated copy of the Minutes of the Order

dated 2nd February, 2007 alongwith Scheme.

M/S RAJESH SHAH & CO.

Advocates for the Petitioner

16, Oriental Building,
30, Nagindas Master Road,
Flora Fountain,
Mumbai - 400 001.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO 20 OF 2011

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 762 OF 2010

TOPSTAR MERCANTILE PRIVATE LIMITED

..... Petitioner/Transferor Company

AND COMPANY SCHEME PETITION NO 21 OF 2011

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO 763 OF 2010

PENINSULA LAND LIMITED

.....Petitioner/Transferee Company

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation and Arrangement of

Topstar Mercantile Private Limited ("the Transferor Company")

AND

Peninsula Land Limited (“the Transferee Company”)

AND

their respective shareholders and creditors

Ms. Alpana Ghone, Counsel with Mr. Rajesh Shah i/b Rajesh Shah & Co. Advocates for the Petitioners in both Petitions.

Dr. T. Pandian, Official Liquidator present in CSP No.20 of 2011.

“Disclaimer Clause : Authenticated copy is not a Certified Copy”

Mr. N. D. Sharma i/b Mr. H. P. Chaturvedi for Regional Director in both Petitions.

CORAM: S. J. VAZIFDAR, J

DATE: 29TH APRIL, 2011.

1. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act read with Sections 100 to 103 of the Companies Act, 1956, to a Scheme of Amalgamation of Topstar Mercantile Private Limited, the Transferor Company with Peninsula Land Limited, the Transferee Company and their respective Shareholders and creditors.

2. The learned Counsel appearing on behalf of the Petitioners has stated that the Petitioners have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioners undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the rules made there under. The said undertaking is accepted.

3. The Regional Director has filed an affidavit stating that, the Scheme does not appear to be prejudicial to the interest of shareholders and public.

4. The Official Liquidator has filed his report in Company Scheme Petition No.20 of 2011 stating therein that the affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Company may be ordered to be dissolved.

5. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned have come forward to oppose the Scheme. Ms.Gone fairly states that one Dinesh Lakhani, a shareholder, who holds 1290 equity shares in the transferee company and a creditor Eurostar Techni Holdings Pvt. Ltd. had written to the company requesting for copies of the scheme and the

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petition and that the company had forwarded the same to them. They have not appeared before the Court objecting to the scheme either.

6. Since all the requisite statutory compliances have been fulfilled:

(i) Company Scheme Petition No. 20 of 2011 is made absolute in terms of prayer clauses (a) to (d);

(ii) Company Scheme Petition No. 21 of 2011 is made absolute in terms of prayer clauses (a) to (d).

7. The Petitioner Companies to lodge a copy of this order and the Scheme duly authenticated by the Company Registrar, High Court (O.S.), Bombay, with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of order.

8. The Petitioner Companies to pay costs of Rs.10,000/- each to the Regional Director and the Petitioner / Transferor Company in Company Scheme Petition No.20 of 2011 to pay costs of Rs.10,000/- to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from today.

9. Filing and issuance of the drawn up order is dispensed with.

10. All authorities concerned to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(S. J. VAZIFDAR, J.)

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SCHEME OF AMALGAMATION AND ARRANGEMENT
OF
TOPSTAR MERCANTILE PRIVATE LIMITED
WITH PENINSULA LAND LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

The Scheme of Amalgamation and Arrangement is presented under Sections 391 to 394 read with Sections 100 - 103 and other applicable provisions of the Companies Act, 1956 for merger of Topstar Mercantile Private Limited with Peninsula Land Limited and their respective shareholders and creditors and is divided into following three parts:

Part A Deals with definitions and share capital

Part B Deals with amalgamation of Topstar Mercantile Private Limited into Peninsula Land Limited

Part C Deals with General Clauses, Terms and Conditions

PART A- DEFINITIONS AND SHARE CAPITAL

Definitions

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

1.1 **"Act" or "the Act"** means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.

1.2 **"Appointed Date"** means 27 October 2010 or such other date as may be fixed or approved by the High Court of Judicature at Bombay or such other competent authority.

1.3 **"Effective Date"** means the later of the dates on which the certified copies of the Orders sanctioning this Scheme of Amalgamation, passed by the High Court of Judicature at Bombay or such other competent authority, as may be applicable, are filed with the Registrar of Companies, Mumbai, Maharashtra at Mumbai by the Topstar and PLL.

1.4 **"High Court"** means the High Court of Judicature at Bombay or such other High Court having jurisdiction in the matter.

1.5 **"PLL"** or **"the Transferee Company"** means Peninsula Land Limited, a company incorporated under the Act No. 10 of 1866 and having its registered office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.

1.6 **"Scheme"** or **"the Scheme"** or **"this Scheme"** means this Scheme of Amalgamation in its present form as submitted to the Hon'ble High Court of Judicature at Bombay or this Scheme with such modification(s), if any made, as per Clause 16 of the Scheme.

1.7 **"Topstar"** or **"the Transferor Company"** means Topstar Mercantile Private Limited, a company incorporated under the Act and having its registered office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013.

1.8 Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Effective Date.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature of Bombay or made as per Clause 16 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3 SHARE CAPITAL

3.1 The share capital of Topstar as on Appointed Date is as under:

Particulars	**Amount in Rs.**
Authorised Capital	
2,10,000 Equity Shares of Rs 10 each	21,00,000
40,000 10% Non-Cumulative Redeemable Preference Shares of Rs. 10 each	4,00,000
10,000 5% Cumulative Redeemable Preference Shares of Rs.	1,00,000

10 each	
Total	**26,00,000**
Issued, Subscribed and Paid-up	
2,10,000 Equity Shares of Rs 10 each fully paid-up	2100,000
Total	**21,00,000**

3.2 The share capital of PLL as on Appointed Date is as under:

Authorised Capital	**Amount in Rs.**
37,49,95,000 Equity Shares of Rs 2 each	74,99,90,000
1,000 5% Cumulative Redeemable Preference Shares of Rs. 10 each	10,000
Total	75,00,00,000
Issued, Subscribed and Paid-up	
279,201,220 Equity Shares of Rs 2 each fully paid-up	55,84,02,440
Forfeiture of Shares	5,54,000
1,000 5% Cumulative Redeemable Preference Shares of Rs. 10 each fully paid-up	10,000
Total	55,89,66,440

PART B - AMALGAMATION OF TOPSTAR WITH PLL

4 TRANSFER AND VESTING

4.1 With effect from the opening of business as on the Appointed Date, the entire business and whole of the undertaking of Topstar including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature shall under the provisions of Sections 391 to 394 of the Act and pursuant to the Orders of the High Court of Judicature at Bombay or any other appropriate authority sanctioning this Scheme and without further act, instrument or deed be transferred and/or deemed to be transferred to and vested in PLL so as to become the properties and assets of PLL.

4.2 All the liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by PLL pursuant to the provisions of Sections 391 to 394 of the Act, so as to become the liabilities of PLL 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 have arisen, in order to give effect to the provisions of this Clause.

5 CONSIDERATION

5.1 Upon this Scheme becoming effective and upon amalgamation of Topstar into PLL in terms of this Scheme, PLL shall, without any application or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of Topstar holding fully paid-up equity shares in Topstar and whose names appear in the Register of Members of Topstar on the Effective Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors Topstar/PLL in the following proportion viz.:

"116,882,052 fully paid up Equity Shares of Rs. 2 each of PLL, i.e. the equivalent number of shares held by Topstar in PLL shall be issued and allotted to the Equity Shareholders of Topstar, in proportion of their holdings in Topstar"

5.2 The New Equity Shares in PLL to be issued to the members of Topstar shall be subject to the Memorandum and Article of Association of PLL. The New Equity Shares shall rank pari passu with the existing equity shares of PLL.

5.3 In respect of fractional entitlement to a shareholder, the same shall be rounded of the next nearest integer. However, in no event, will the number of New Equity Shares to be allotted by PLL exceed the number of equity shares held by Topstar in PLL.

5.4 Upon New Equity Shares being issued and allotted by PLL to the shareholders of Topstar, in accordance with Clause 5.1 above, the share certificates in relation to the shares held by the said shareholders in Topstar shall be deemed to have been cancelled and extinguished and be of no effect on and from such issue and allotment.

5.5 The New Equity Shares shall be issued in dematerialized form to those equity shareholders who hold the shares in dematerialized form, provided all details relating to the account with the Depository Participant are available to PLL. All those equity shareholders who hold shares in physical form shall be issued New Equity Shares in physical form unless otherwise communicated in writing by such shareholders on or before such date as may be determined by PLL or committee created thereof by the Board of Directors of PLL.

5.6 The New Equity Shares of PLL shall be listed on all stock exchanges on which the shares of PLL are listed as on the Effective Date.

5.7 PLL shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by PLL of New Equity Shares to the members of Topstar under the Scheme.

5.8 Approval of this Scheme by the shareholders of Topstar and PLL shall be deemed to be the due compliance of the provisions of Section 81(1A) and the other relevant and applicable provisions of the Act for the issue and allotment of New Equity Shares issued by PLL to the shareholders of Topstar, as provided in this Scheme.

5.9 Entitlement of Topstar, as shareholder of PLL, as regards dividend, bonus shares, rights shares, etc. from the Appointed Date until the date new shares are issued to the shareholders of Topstar pursuant to Clause 5.1 above shall be kept in abeyance pending such allotment of the new shares.

6 CANCELLATION OF EQUITY SHARES OF PLL HELD BY TOPSTAR

6.1 With effect from the Appointed Date, the investment held by Topstar in the equity share capital of PLL shall stand cancelled and accordingly, the share capital of PLL shall stand reduced to the extent of face value of shares held by Topstar in PLL as on the Appointed Date.

6.2 Such reduction of share capital of PLL as provided in Clause 6.1 above shall be effected as a part of the Scheme, upon which the share capital of PLL shall be deemed to be reduced and the orders of the Courts sanctioning the Scheme shall be deemed to be an order under Sections 100 to 103 of the Act confirming such reduction of share capital of PLL.

7 ACCOUNTING TREATMENT IN THE BOOKS OF PLL

On the Scheme becoming effective, PLL shall account for the merger in its books of accounts as under:

7.1 The equity shares of PLL held by Topstar shall get cancelled.

7.2 The face value of equity shares issued by PLL pursuant to Clause 5.1 shall be credited to the Share Capital by PLL.

7.3 Difference in the net value of assets and liabilities transferred, after giving effect to Clauses 7.1 and 7.2 shall be credited to "Provision for expenses on Amalgamation Account". The expenses of the amalgamation shall be debited to Provision for expenses on Amalgamation Account and surplus, if any, will be credited to Capital Reserve Account.

8 CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and upto and including the Effective Date:

8.1 Topstar shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to the business and undertaking of Topstar or and on account of and in trust for PLL. Topstar hereby undertakes to hold its said assets with utmost prudence until the Effective Date.

8.2 Topstar shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of PLL alienate, charge, mortgage, encumber or otherwise deal with or dispose of Topstar or part thereof.

8.3 All the profits or income accruing or arising to Topstar or expenditure or losses arising or incurred or suffered by Topstar pertaining to the business and undertaking of Topstar shall for all purposes be treated and be deemed to be and accrue as the income or profits or losses or expenditure as the case may be of PLL.

8.4 Topstar shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of PLL or pursuant to any pre-existing obligation undertaken by Topstar as the case may be, prior to the Appointed Date.

8.5 PLL shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which PLL may require pursuant to this Scheme.

9 EMPLOYEES

9.1 On the Scheme becoming effective the employees, if any, of Topstar shall become the employees of PLL, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. PLL further agrees that for the purpose of payment of any retirement benefit / compensation, such immediate uninterrupted past services with Topstar shall also be taken into account. PLL undertakes to continue to abide by the terms of agreement / settlement entered into by Topstar with employees' union / employee or associations of Topstar.

9.2 The accounts / funds of the employees, whose services are transferred under Clause 9.1 above, relating to superannuation, provident fund and gratuity fund shall be identified, determined and transferred to the respective Trusts / Funds of PLL and such employees shall be deemed to have become members of such Trusts / Funds of PLL.

10 LEGAL PROCEEDINGS

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

10.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against Topstar, PLL shall be made party thereto and any payment and expenses made thereto shall be the liability of PLL.

11 CONTRACTS, DEEDS, ETC.

11.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if

any, of whatsoever nature pertaining to Topstar to which Topstar is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of PLL, as the case may be, and may be enforced by or against PLL as fully and effectually as if, instead of Topstar, PLL had been a party thereto.

11.2 PLL shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which Topstar will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. PLL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of Topstar and to implement or carry out all formalities required on the part of Topstar to give effect to the provisions of this Scheme.

12 INDEMNITY BY SHAREHOLDERS OF TOPSTAR

The shareholders of Topstar shall indemnify PLL and keep PLL indemnified for liability, claim, demand, if any, discharged by PLL and not recorded in the books of accounts of Topstar or any other liability, claim, demand, suit proceedings made, lodged or filed by any third party(ies) including Governmental authorities and which may devolve on PLL on account of this merger.

13 SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against Topstar under Clause 10 above shall not affect any transaction or proceedings already concluded by Topstar on and after the Appointed Date and till the Effective Date, to the end and intent that PLL accepts and adopts all acts, deeds and things done and executed by Topstar in respect thereto as done and executed on behalf of PLL.

14 DISSOLUTION OF TOPSTAR

On the Scheme becoming effective, Topstar shall stand dissolved without being wound-up.

PART C - GENERAL

15 APPLICATION TO HIGH COURT

Topstar and PLL shall with all reasonable dispatch make all necessary applications under to the High Court of Judicature at Bombay for seeking approval of the Scheme under Section 391 to 394 of the Act for an order or orders thereof for carrying the Scheme into effect and for dissolution of Topstar without winding up.

16 MODIFICATION OR AMENDMENTS TO THE SCHEME

Topstar and PLL by their respective Boards of Directors ('the Board, which term shall include Committee thereof), may assent to/make and/or consent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Courts and/or any other Authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). Topstar and PLL by their respective Board are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or Orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

17 CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

17.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of Topstar and PLL as may be directed by the High Court of Judicature at Bombay.

17.2 The sanction of the High Court of Judicature at Bombay or any other authority under Sections 391 to 394 of the Act in favour of Topstar and PLL under the said provisions and to the necessary Orders under Section 394 of the said Act being obtained and the same being filed with the Registrar of Companies.

17.3 All other sanctions and approvals as may be required by law in respect of this Scheme being obtained.

18 EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the High Court of Judicature at Bombay or such other competent authority and / or the Order not being passed as aforesaid before December 31, 2011 or within such further period or periods as may be agreed upon between Topstar and PLL by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

19 COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of Topstar and PLL arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by PLL to the extent of excess of assets over the liabilities (excluding investments) transferred to PLL pursuant to the Scheme. In case the amount of cost, charges and expenses is in excess of the assets over the liabilities transferred to PLL pursuant to the Scheme, such excess amount shall be borne by the shareholders of Topstar.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO 21 OF 2011

CONNECTED WITH COMPANY SUMMONS FOR DIRECTION NO. 763 OF 2010

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation and Arrangement of

Topstar Mercantile Private Limited ('TMPL' or 'the Transferor Company')

and

Peninsula Land Limited ('PLL' or 'the Transferee Company')

and

their respective shareholders and creditors

PENINSULA LAND LIMITED, a Company incorporated under the provisions of the Act No. 10 of 1866 and having its registered office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. ..... Petitioner Company

FORM OF MINUTES

The issued, subscribed and paid-up Equity Share Capital of Rs. 55,84,02,440 divided into 279,201,220 equity shares of Rs. 2 each, shall stand cancelled and reduced by Rs, 23,37,64,104 divided into 116,882,052 equity shares of Rs. 2 each, being the face value of equity shares held by the Transferor Company in the Petitioner Company.

IN THE HIGH COURT OF JUDICATURE

AT BOMBAY

ORDINARY ORIGINAL CIVIL

JURISDICTION COMPANY SCHEME

PETITION NO 21 OF 2011

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.

763 OF 2010

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Sections 100 to 103 of the Companies Act, 1956;

AND

In the matter of Scheme of Amalgamation and Arrangement of

Topstar Mercantile Private Limited ('TMPL' or 'the Transferor Company')

and

Peninsula Land Limited ('PLL' or 'the Transferee Company')

and

their respective shareholders and creditors PENINSULA LAND LIMITED

..... Petitioner Company

Minutes of the Order dated 29th April, 2011

along with Scheme of Amalgamation and

Arrangement and Form of Minutes

M/S RAJESH SHAH & CO

Advocates for the Petitioner Company

16, Oriental Building,
30, Nagindas Master Road,
Flora Fountain,
Mumbai - 400 001.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SCHEME PETITION NO 657 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 636 OF 2013
PENINSULA MEGA TOWNSHIP DEVELOPERS PRIVATE LIMITED
..... Petitioner Company

AND

COMPANY SCHEME PETITION NO 658 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 637 OF 2013
CITY PARKS PRIVATE LIMITED
..... Petitioner Company

AND

COMPANY SCHEME PETITION NO 659 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 638 OF 2013
KR MEGA PROPERTY DEVELOPERS PRIVATE LIMITED
..... Petitioner Company

AND

COMPANY SCHEME PETITION NO 660 OF 2013
CONNECTED WITH
COMPANY SUMMONS FOR DIRECTION NO 639 OF 2013
WISMORE REAL ESTATE PRIVATE LIMITED
..... Petitioner Company

In the matter of the Companies Act, 1956 (1 of 1956);

AND

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

AND

HIGH COURT OF JUDICATURE BOMBAY

Bombay High Court

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In the matter of Composite Scheme of Arrangement and Amalgamation
between
Peninsula Mega Township Developers Private Limited
and
City Parks Private Limited
and
RR Mega Property Developers Private Limited
and
Wismore Real Estate Private Limited
with
Peninsula Land Limited
and
their respective shareholders.

Called for Hearing

Mr. Rajesh Shah with Mr. Chandrakant Mhadeshwar i/b Rajesh Shah & Co., Advocates for the Petitioners in both the Petitions.

Ms. R.N. Sutar Asst. Official Liquidator present in the Company Scheme Petition No.658, 659 and 660 of 2013.

Ms. Jyotsna Pandhi i/b Mr. H.P. Chaturvedi for Regional Director in all the Company Scheme Petitions.

CORAM: N. M. Jamdar, J.

DATE: 25th October, 2013

1. Heard counsel for the parties. No objector has come before the court to oppose the Scheme and nor any party has controverted any averments made in the Petition.

2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956, to the Composite Scheme of Arrangement and Amalgamation between Peninsula Mega Township Developers Private Limited and City Parks Private Limited and RR Mega Property Developers Private Limited and

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Bombay High Court

Wismore Real Estate Private Limited with Peninsula Land Limited and their respective shareholders.

3. Learned Advocate for the Petitioners states that all the Petitioners are engaged in the business of Real Estate Development. The Scheme would result in simplification of group structure by elimination of multiple entity and achieve greater administrative efficiency, elimination of administrative functions and multiple record keeping, thus resulting in reduced expenditure, and significant reduction in the multiplicity of regulatory compliances. The Petitioner Companies approved the said Scheme by passing the Board Resolution which are annexed to the respective Company Scheme Petitions.

4. Learned Advocate for the Petitioners states that the Reduction of the Share Capital and Securities Premium Account of the Petitioner Company in Company Scheme Petition 657 of 2013 is an integral part of the Scheme and the same does not involve either dimunition of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and that it also does not involve any compromise or arrangement with any creditors of the Petitioner Company and hence procedure prescribed under section 101 (2) of the Companies Act, 1956 has been dispensed with vide Order dated 23rd August, 2013 passed in CSD No.636 of 2013. Moreover, the Petitioner Company has annexed Special Resolution dated 22nd August, 2013 as Exhibit 'D' to the Petition and complied with the undertaking given in the said order.

5. The learned Advocate for the Petitioners further states that, Petitioner companies have complied with all the directions passed in Company Summons for Directions and that the Company

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Bombay High Court

Scheme Petitions have been filed in consonance with the orders passed in respective Summons for Directions.

6. The learned counsel appearing on behalf of the Petitioner Companies has stated that the Petitioner Companies have complied with all requirements as per directions of this Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made there under. The said undertaking is accepted.

7. The Regional Director has filed an Affidavit on 22nd October, 2013 stating that the scheme is not prejudicial to the interest of shareholders and public.

8. The Official Liquidator has filed his report on 19th October, 2013 in the Company Scheme Petition No 658, 659 and 660 of 2013 stating therein that the affairs of the Petitioner Companies have been conducted in a proper manner and that the Petitioner Companies may be ordered to be dissolved by this Court.

9. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. None of the parties concerned has come forward to oppose the Scheme.

10. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition No. 657 is made absolute in terms of prayer clauses (a), (b) and (d) and Company Scheme Petition Nos.658, 659 and 660 of 2013 are made absolute in terms of prayer clauses (a), (c) and (d).

11. The Petitioner Companies to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court

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Bombay High Court

(O.S.), Bombay with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, on the same within 60 days from the date of the Order.

12. Petitioner Companies are directed to file a copy of this order along with a copy of the Scheme with the concerned Registrar of Companies, electronically, along with E-Form 21 in addition to physical copy as per provisions of the act.

13. The Petitioner Companies in all the Company Scheme Petitions to pay costs of Rs.10,000/- each to the Regional Director, Western Region, Mumbai and Petitioner Companies in Company Scheme Petition No 658, 659 and 660 of 2013 to pay cost of Rs. 10,000/- each to the Official Liquidator, High Court, Bombay. Costs to be paid within four weeks from the date of the order.

14. Filing and issuance of the drawn up order is dispensed with.

15. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court (O. S.), Bombay.

(N. M. Jamdar, J)

TRUE-COPY
30/10/2013
Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

TRUE COPY
28.10.2013
Section Officer
High Court, Appellate Side
Bombay

Bombay High Court

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COMPOSITE SCHEME OF ARRANGEMENT AND AMALGAMATION

BETWEEN

PENINSULA MEGA TOWNSHIP DEVELOPERS PRIVATE LIMITED

AND

CITY PARKS PRIVATE LIMITED

AND

RR MEGA PROPERTY DEVELOPERS PRIVATE LIMITED

AND

WISMORE REAL ESTATE PRIVATE LIMITED

AND

PENINSULA LAND LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

(A) PREAMBLE

This Scheme of Arrangement and Amalgamation ('Scheme') is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for:

(a) Demerger of the PMTDPL demerged undertaking of Peninsula Mega Township Developers Private Limited ("PMTDPL") into Peninsula Land Limited ("PLL")

(b) Amalgamation of City Parks Private Limited ("CPPL") and RR Mega Property Developers Private Limited ("RMPDPL") and Wismore Real Estate Private Limited ("WREPL") with Peninsula Land Limited ("PLL").

(c) This Scheme also provides for various other matters consequential or otherwise.

(B) RATIONALE

The key objective of this Scheme is to ensure simplification of group structure by elimination of multiple entity and achieve greater administrative efficiency, elimination of administrative functions and multiple record keeping, thus resulting in reduced expenditure, and significant reduction in the multiplicity of regulatory compliances.

(C) PARTS OF THE SCHEME:

This Composite Scheme of Arrangement and Amalgamation is presented under section 391 to 394 and other applicable provisions of the Companies Act, 1956 and is divided into the following parts:

(i) **PART I** deals with the definitions and share capital;

(ii) **PART II** deals with the demerger of Peninsula Mega Township Developers Private Limited into Peninsula Land Limited;

(iii) **PART III** deals with the amalgamation of RR Mega Property Developers Private Limited, City Parks Private Limited and Wismore Real Estate Private Limited with Peninsula Land Limited;

(iv) **PART IV** deals with general terms and conditions applicable to this Scheme.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereunder), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

1.1 **"Act" or "The Act"** means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force;

1.2 **"Appointed Date"** means :

(a) the 1st day of April, 2013 or such other date as may be approved by the High Court of Judicature at Bombay or any other appropriate authority, subject to (b) below.

(b) the 1st day of August, 2013 or such other date as may be approved by the High Court of Judicature at Bombay or any other appropriate authority for the purposes of amalgamation of City Parks Private Limited with Peninsula Land Limited,.

1.3 **"Board"** means Board of Directors and includes a committee thereof;

1.4 **"Court" or "High Court"** means the High Court of Judicature of Bombay and shall include the National Company Law Tribunal, if and when applicable;

1.5 **"CPPL"** means City Parks Private Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Peninsula Centre, Plot No. 4, Galaxy Co-operative Housing Society, Off Dhole Patil Road, Pune – 411001.

1.6 **"Effective Date"** means the later of the dates on which the certified copy of the Orders of High Court of Judicature at Bombay or any other appropriate authority under Sections 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra by the Transferor Companies and the Transferee Company;

1.7 "**the PMTDPL Demerged Undertaking**" shall mean the entire business and undertaking of PMTDPL relating to its real estate business and related activities at Nashik, Maharashtra, as a going concern and shall include (without limitation) the following:

(a) All the assets and properties of PMTDPL as on the Appointed Date (hereinafter referred to as "the said assets") pertaining to the PMTDPL Demerged Undertaking;

(b) All the debts, liabilities, duties and obligations including contingent liabilities of PMTDPL pertaining to the PMTDPL Demerged Undertaking;

(c) Without prejudice to the generality of above, the PMTDPL Demerged Undertaking shall include the movable and immovable properties including land and building, plant and machinery, equipment, furniture, fixtures, vehicles, leasehold assets and other properties, real, corporeal and incorporeal, in possession or reversion, present and contingent assets (whether tangible or intangible) of whatsoever nature, assets including cash in hand, bank balance, investments, claims, powers, authorities, allotments, approvals, consents, letters of intent, registrations, licenses, contracts, agreements, engagements, arrangements, rights, credits, titles, interests, benefits, advantages, leasehold rights, sub-letting tenancy rights, with or without the consent of the landlord as may be required by law, goodwill, other intangibles, permits, authorisations, trade marks, trade names, brands, patents, patent rights, copyrights, designs,

and other industrial and intellectual properties and rights of any nature whatsoever including designs, know-how, domain names, or any applications for the above, assignments and grants in respect thereof, import quotas and other quota rights, right to use and avail of telephones, telex, facsimile and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever, provisions, funds, and benefits of all agreements, arrangements, deposits, advances, recoverables and receivables, whether from government, semi-government, local authorities or any other person including customers, contractors or other counter parties, etc., all earnest monies and/or deposits, privileges, liberties, easements, advantages, benefits, exemptions permissions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax etc, unutilised deposits or credits, benefits under the VAT/ Sales Tax law, VAT/ sales tax set off, unutilised deposits or credits, benefits of any unutilised MODVAT/CENVAT/Service tax credits, etc.) and wheresoever situated, belonging to or in the ownership, power or possession or control of or vested in or granted in favour of or enjoyed by PMTDPL.

(d) all permanent employees engaged in or in relation to the PMTDPL Demerged Undertaking as on the Effective Date;

(e) all records, files, papers, engineering and process information, computer programs, manuals, data catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customers credit information, customers pricing information and other records, whether in physical form or electronic form in connection with or relating to the PMTDPL Demerged Undertaking.

Explanation A: Whether any particular asset, liability or reserve should be included as asset, liability or reserve of the PMTDPL Demerged undertaking or otherwise shall be decided mutually by the Board of PMTDPL and PLL;

Explanation B: For the purpose of this Scheme, it is clarified that liabilities pertaining to the PMTDPL Demerged Undertaking of PMTDPL include:

(a) The liabilities, which arise out of the activities or operations of the PMTDPL Demerged Undertaking of PMTDPL.

(b) Specific loans and borrowings raised, incurred and utilized solely for the activities or operation of the PMTDPL Demerged Undertaking of PMTDPL.

(c) Liabilities other than those referred to in Sub-Clauses (a) and (b) above and not directly relatable to the Remaining Undertaking of PMTDPL, being the amounts of general or multipurpose borrowings of PMTDPL shall be allocated to the PMTDPL Demerged Undertaking of PMTDPL in the same proportion which the value of the assets transferred under this Clause bears to the total value of the assets of PMTDPL immediately before giving effect to this Scheme. The parties shall mutually agree upon the identification of the liabilities to be transferred to PLL as liabilities pertaining to the PMTDPL Demerged Undertaking.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the PMTDPL Demerged Undertaking of PMTDPL or whether it arises out of the activities or operations of the PMTDPL Demerged Undertaking of PMTDPL shall be decided by mutual agreement between the Board of PMTDPL and PLL.

1.8 **"PMTDPL" or "Demerged Company"** means Peninsula Mega Township Developers Private Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013;

1.9 **"PLL" or "the Resulting Company" or "the Transferee Company"** means Peninsula Land Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

1.10 **"RMPDPL"** means RR Mega Property Developers Private Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013;

1.11 **"Scheme"** or "**the Scheme**" or "**this Scheme**" means this Composite Scheme of Arrangement and Amalgamation in its present form as submitted to the High Court of Judicature of Bombay or this Scheme with such modification(s), if any made, as per Clause 26 of the Scheme;

1.12 **"Transferor Companies"** means City Parks Private Limited, RR Mega Property Developers Private Limited and Wismore Real Estate Private Limited collectively;

1.13 **"WREPL"** means Wismore Real Estate Private Limited, a company incorporated under the Companies Act, 1956, and having its Registered Office at Peninsula Spenta, Mathuradas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013;

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contract Regulation Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or any statutory modification or re-enactment thereof from time to time.

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the High Court of Judicature at Bombay or made as per Clause 26 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

3. SHARE CAPITAL

3.1 The authorized, issued, subscribed and paid-up share capital of CPPL as on March 31, 2013 is as under:

Share Capital	Rupees in Lacs
Authorized Share Capital	
29,80,000 Equity Shares of Rs. 10 each	298.00
20,000, 0.01% Non-cumulative Redeemable Preference Shares of Rs. 10 each	2.00
TOTAL	**300.00**
Issued, subscribed and paid-up Share Capital	
23,34,000 Equity Shares of Rs. 10 each, fully paid up	233.40
20,000, 0.01% Non-cumulative Redeemable Preference Shares of Rs. 10 each, fully paid up	2.00
TOTAL	**235.40**

Subsequent to March 31, 2013, there has been no change in the capital structure of the Company.

The authorized, issued, subscribed and paid-up share capital of PMTDPL as on March 31, 2013 is as under:

Share Capital	Rupees in Lacs
Authorized Share Capital	
10,000 Equity Shares of Rs. 10 each	1.00
Total	**1.00**
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10 each, fully paid up	1.00
Total	**1.00**

Subsequent to March 31, 2013, there has been a change in the capital structure of the company. The new capital structure is as follows.

Share Capital	Rupees in Lacs
Authorized Share Capital	
12,000 Equity Shares of Rs. 10 each	1.20
Total	**1.20**
Issued, Subscribed and Paid-up Share Capital	
11,400 Equity Shares of Rs. 10 each	1.14
Total	**1.14**

3.3 The authorized, issued, subscribed and paid-up share capital of RMPDPL as on March 31, 2013 is as under:

Share Capital	Rupees in Lacs
Authorized Share Capital	
10,000 Equity Shares of Rs. 10 each	1.00
Total	**1.00**
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10 each, fully paid up	1.00
Total	**1.00**

Subsequent to March 31, 2013, there has been a change in the capital structure of the company. The new capital structure is as follows.

Share Capital	Rupees in Lacs
Authorized Share Capital	
80,000 Equity Shares of Rs. 10 each	8.00
Total	**8.00**
Issued, Subscribed and Paid-up Share Capital	
70,000 Equity Shares of Rs. 10 each	7.00
Total	**7.00**

3.4 The authorized, issued, subscribed and paid-up share capital of WREPL as on March 31, 2013 is as under:

Share Capital	Rupees in Lacs
Authorized Share Capital	
10,000 Equity Shares of Rs. 10 each	1.00
Total	**1.00**
Issued, Subscribed and Paid-up Share Capital	
10,000 Equity Shares of Rs. 10 each, fully paid up	1.00
Total	**1.00**

Subsequent to March 31, 2013, there has been a change in the capital structure of the company. The new capital structure is as follows.

Share Capital	Rupees in Lacs
Authorized Share Capital	
41,000 Equity Shares of Rs. 10 each	4.10
Total	**4.10**
Issued, Subscribed and Paid-up Share Capital	

40,000 Equity Shares of Rs. 10 each	4.00
Total	**4.00**

3.5 The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on March 31, 2013 is as under:

Share Capital	**Rupees in Lacs**
Authorized Share Capital	
37,49,95,000 Equity Shares of Rs. 2 each	7499.90
1,000, 5% Cumulative Redeemable Preference Shares of Rs. 10 each	0.10
Total	**7500.00**
Issued, Subscribed and Paid-up Share Capital	
27,92,01,220 Equity Shares Rs. 2/- each fully paid up	5590.02
1,000, 5% Cumulative Redeemable Preference Shares of Rs. 10 each	0.10
Total	**5590.12**

Subsequent to March 31, 2013, there has been no change in the capital structure of the Transferee Company.

PART II – DEMERGER OF PMTDPL INTO PLL

4. TRANSFER AND VESTING OF UNDERTAKING OF THE PMTDPL

With effect from the Appointed Date, the PMTDPL Demerged Undertaking of PMTDPL shall, in accordance with Section 2(19AA) of the Income Tax Act, 1961, stand transferred to and vested in or deemed to be transferred to and vested in PLL, as a going concern and in the following manner:

4.1 With effect from the Appointed Date and upon the Scheme becoming effective, the whole of the undertaking and properties of the PMTDPL Demerged Undertaking, shall pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act and without any further act, deed, matter or thing, stand transferred to and vested in and / or be deemed to be transferred to and vested in PLL so as to vest in PLL all rights, title and interest pertaining to the PMTDPL Demerged Undertaking.

(i) All the movable assets pertaining to the PMTDPL Demerged Undertaking, which are capable of being physically transferred including cash on hand,

shall be physically handed over by delivery to PLL to the end and intent that the property therein passes to PLL. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of PMTDPL and PLL;

(ii) In respect of other assets pertaining to the PMTDPL Demerged Undertaking including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, PMTDPL shall, on being so requested by PLL, issue notices in such form as PLL may specify stating that pursuant to this Scheme, the relevant debt, loan, advance, deposit or other asset, be paid or made good to, or be held on account of, PLL as the person entitled thereto, to the end and intent that the right of PMTDPL to receive, recover or realize the same, stands transferred to PLL and that appropriate entries should be passed in their respective books to record the aforesaid changes;

(iii) any and all immovable properties (including land together with the buildings and structures standing thereon) of PMTDPL relating to the PMTDPL Demerged Undertaking, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in PLL, without any act or deed done by PMTDPL or PLL. With effect from the Appointed Date, PLL shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of PLL shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of PLL

(iv) In respect of such of the assets belonging to the PMTDPL Demerged Undertaking other than those referred to in clause (i) to (iii), the same shall be transferred to and vested in and/or be deemed to be transferred to and

vested in PLL on the Appointed Date pursuant to the provisions of Section 394 of the Act.

4.2 With effect from the Appointed Date and upon the Scheme becoming effective, all reserves, debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of every kind, nature and description of PMTDPL pertaining to the PMTDPL Demerged Undertaking under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, and without any further act or deed, be transferred to or be deemed to be transferred to PLL, so as to become from the Appointed Date the reserves, debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations of PLL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such reserves, debts, liabilities including accrued interest thereon, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause.

With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by PMTDPL required to carry on operations of the PMTDPL Demerged Undertaking shall stand vested in or transferred to PLL without any further act or deed, and shall be appropriately mutated by the statutory authorities concerned therewith in favour of PLL and the benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to PLL as if they were originally obtained by PLL. 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 person, or availed of by PMTDPL relating to the PMTDPL Demerged Undertaking, are concerned, the same shall vest with and be available to PLL on the same terms and conditions as applicable to PMTDPL, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to PLL.

4.4 The transfer and vesting of the PMTDPL Demerged Undertaking as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relatable to the PMTDPL Demerged Undertaking to the extent such securities, charges,

mortgages, encumbrances are created to secure the liabilities forming part of the PMTDPL Demerged Undertaking.

4.5 It is clarified that if any assets, (estate, claims, rights, title, interest in, or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to any of the PMTDPL Demerged Undertaking which PMTDPL owns or to which PMTDPL is a party and which cannot be transferred to PLL for any reason whatsoever, PMTDPL shall hold such assets or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of PLL to which the PMTDPL Demerged Undertaking is being transferred in terms of this scheme, in so far as it is permissible so to do, till such time as the transfer is effected.

5. CONSIDERATION

5.1 Since the entire share capital of PMTDPL is held by PLL, it shall not be required to issue any shares or pay any consideration to either PMTDPL or to its shareholders.

6. ACCOUNTING TREATMENT IN THE BOOKS OF PLL

6.1 Upon the Scheme becoming effective and from the Appointed Date, PLL shall record the assets and liabilities pertaining to the PMTDPL Demerged Undertaking at their respective book values.

6.2 The difference between the value of assets and liabilities arising pursuant to Clause 6.1, as on the Appointed Date, after adjusting the diminution/ reduction in value of investments made by PLL in PMTDPL shall be debited / credited to Goodwill or Capital Reserve as the case may be.

6.3 Subsequent to above, the Transferee Company may make suitable adjustments in the books of accounts including but not limited to application of uniform accounting policies and restatement of the work in progress of the PMTDPL Demerged Undertaking to the extent of cost of land / any rights thereon and directly attributable operational costs of development activities and adjust the same in Capital Reserve / General Reserve/ accumulated profits.

7. ACCOUNTING TREATMENT IN THE BOOKS OF PMTDPL

7.1 Upon the Scheme becoming effective, PMTDPL shall reduce from its books, the book value of assets and liabilities transferred as part of the PMTDPL Demerged Undertaking to PLL, pursuant to the Scheme.

7.2 Consequent to the transfer and vesting of the PMTDPL demerged undertaking, 1400 equity shares of Rs. 10 each allotted during the year to the Transferee Company and the premium on the same shall be cancelled / reduced.

7.3 The difference in the book value of assets and the book value of liabilities transferred pursuant to the Scheme, after giving effect to Clause 7.2 shall be debited/ credited to Goodwill/ Capital Reserve. Debit balance in Profit & Loss account, to the extent balances are available shall also be adjusted against the Capital Reserve account.

7.4 The cancellation and reduction, of the Equity Share capital and Securities Premium Account of PMTDPL as above, shall be effected as an integral part of the Scheme without having to follow the process under Section 100 to 103 of the Act separately and the Order of the High Court sanctioning the Scheme shall be deemed to be also the Order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital and the provisions of Section 101 of the Act will not be applicable. PMTDPL shall not be required to add the words "and reduced" as a suffix to its name consequent upon such reduction.

8. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

8.1 PMTDPL in respect of the PMTDPL Demerged Undertaking, shall carry on and be deemed to have been carrying on the business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for PLL. PMTDPL hereby undertakes to hold the said assets with utmost prudence until the Effective Date;

8.2 With effect from the Appointed Date, All the profits or income accruing or arising to PMTDPL in respect of the PMTDPL Demerged Undertaking or expenditure or losses arising to or incurred by PMTDPL in respect of the PMTDPL Demerged Undertaking, shall for all purposes and intents be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses (as the case may be) of PLL;

8.3 PMTDPL in respect of the PMTDPL Demerged Undertaking shall carry on the business and activities with reasonable diligence, business prudence and shall not without the prior written consent of PLL, alienate, charge, mortgage, encumber or otherwise deal with or dispose off the PMTDPL Demerged Undertaking or any part thereof except in respect of activities in the ordinary course of business nor shall it undertake any new businesses within the PMTDPL Demerged Undertaking or a substantial expansion of the PMTDPL Demerged Undertaking;

9. DECLARATION OF DIVIDEND

9.1 For the avoidance of doubt it is hereby clarified that nothing in this Scheme shall prevent PLL from declaring and paying dividends, whether interim or final, to its equity shareholders as on the record date for the purpose of any such dividend.

9.2 PMTDPL shall not utilize the profits or income, if any, relating to the PMTDPL Demerged Undertaking for the purpose of declaring or paying any dividend to its shareholders or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of PLL.

10. LEGAL PROCEEDINGS

10.1 All legal proceedings of whatsoever nature by or against PMTDPL pending and/or arising before the Effective Date and relating to the PMTDPL Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against PLL, as the case may be in the same manner and to the same extent as would or might have been continued and enforced by or against PMTDPL.

10.2 After the Effective Date, if any proceedings are taken against PMTDPL in respect of the matters referred to in the sub-clause 10.1 above, it shall defend the same at the cost of PLL, and PLL shall reimburse and indemnify PMTDPL against all liabilities and obligations incurred by PMTDPL in respect thereof.

10.3 PLL undertakes to have all respective legal or other proceedings initiated by or against PMTDPL referred to in Clauses 10.1 or 10.2 above transferred into its name and to have the same continued, prosecuted and enforced by or against PLL as the case may be, to the exclusion of PMTDPL.

11. CONTRACTS, DEEDS, ETC.

11.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the PMTDPL Demerged Undertaking, shall continue in full force and effect against or in favour of PLL and may be enforced effectively by or against PLL as fully and effectually as if, instead of PMTDPL, PLL had been a party thereto.

11.2 PLL, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, or other documents with, or in favour of any party to any contract or arrangement to which PMTDPL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. PLL shall, be deemed to be authorised to execute any such writings on behalf of PMTDPL and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of PMTDPL.

12. SAVING OF CONCLUDED TRANSACTIONS

12.1 The transfer of assets, properties and liabilities above as per Clause 4 and the continuance of proceedings as per Clause 10 by or against PLL above shall not affect any transaction or proceedings already concluded in PMTDPL, in relation to the PMTDPL Demerged Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that PLL accepts and adopts all acts, deeds and things done and executed by PMTDPL, in relation to the PMTDPL Demerged Undertaking in respect thereto as done and executed on their behalf.

13. STAFF, WORKMEN & EMPLOYEES

13.1 Upon the coming into effect of this Scheme, all employees of PMTDPL engaged in or in relation to the PMTDPL Demerged Undertaking and who are in such employment as on the Effective Date shall become the employees of PLL from Appointed Date or their respective joining date, whichever is later and, subject to the provisions of this Scheme, on terms and conditions not less favorable than those on which they are

engaged by PMTDPL and without any interruption of or break in service as a result of the transfer of the PMTDPL Demerged Undertaking.

13.2 In so far as the existing provident fund, gratuity fund and pension and/or superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by PMTDPL for the employees related to the PMTDPL Demerged Undertaking (collectively referred to as the "Funds"), the Funds and such of the investments made by the Funds which are referable to the employees related to the PMTDPL Demerged Undertaking being transferred to PLL, in terms of the Scheme shall be transferred to PLL and shall be held for their benefit pursuant to this Scheme in the manner provided hereinafter. The Funds shall, subject to the necessary approvals and permissions and at the discretion of PLL, either be continued as separate funds of PLL for the benefit of the employees related to PMTDPL Demerged Undertaking or be transferred to and merged with other similar funds of PLL. In the event that PLL does not have its own funds in respect of any of the above, PLL may, subject to necessary approvals and permissions, continue to contribute to relevant funds of PMTDPL, until such time that PLL creates its own fund, at which time the Funds and the investments and contributions pertaining to the employees related to the PMTDPL Demerged Undertaking shall be transferred to the funds created by PLL. Subject to the relevant law, rules and regulations applicable to the Funds, the Board of PMTDPL and PLL may decide to continue to make the said contributions to the Funds of PMTDPL. It is clarified that the services of the employees of the PMTDPL Demerged Undertaking will be treated as having been continuous and not interrupted for the purpose of the said fund or funds.

13.3 Any question that may arise as to whether any employee belongs to or does not belong to the PMTDPL Demerged Undertaking shall be decided by the Board of PMTDPL.

14. REMAINING BUSINESS OF PMTDPL

14.1 It is clarified that, the Remaining Business of PMTDPL shall continue with PMTDPL as follows:

a. The Remaining Business of PMTDPL and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be managed by PMTDPL.

b. All legal and other proceedings by or against PMTDPL under any statute, whether pending on the Appointed Date or which may be initiated in future, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business of PMTDPL (including those relating to any property, right, power, liability, obligation or duty, of PMTDPL in respect of the Remaining Business of PMTDPL) shall be continued and enforced by or against PMTDPL.

14.2 With effect from the Appointed Date and including the Effective Date –

a. PMTDPL shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Remaining Business of PMTDPL for and on its own behalf;

b. all profit accruing to PMTDPL thereon or losses arising or incurred by it relating to the Remaining Business of PMTDPL shall, for all purposes, be treated as the profit, or losses, as the case may be, of PMTDPL.

JDICATURE AT BOMBAY

15. TAX CREDITS

15.1 PLL will be the successors of PMTDPL vis-à-vis the PMTDPL Demerged Undertaking. Hence, it will be deemed that the benefit of any tax credits whether central, state or local, availed vis-à-vis the PMTDPL Demerged Undertaking and the obligations if any for payment of the tax on any assets forming part of the PMTDPL Demerged Undertaking or their erection and / or installation, etc. shall be deemed to have been availed by PLL or as the case may be deemed to be the obligations of PLL. Consequently, and as the Scheme does not contemplate removal of any asset by PLL from the premises in which it is installed, no reversal of any tax credit needs to be made or is required to be made by PMTDPL.

15.2 With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable/receivable by PMTDPL relating to the PMTDPL Demerged Undertaking including all or any refunds/credit/claims relating thereto shall be treated as the asset/liability or refunds/credit/claims, as the case may be, of PLL.

PMTDPL and PLL are expressly permitted to revise their respective tax returns including tax deducted at source (TDS) certificates/ returns and to claim refunds, advance tax credits, excise and service tax credits, set off, etc., on the basis of the accounts of the PMTDPL Demerged Undertaking of PMTDPL as vested with PLL upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

16. LEGAL STATUS OF THE DEMERGED COMPANY

With effect from the Appointed Date, the Demerged Company shall be a public company as per the provisions of Section 3(iv)(c) of the Companies Act, 1956. The Demerged Company shall initiate and complete all necessary steps including amendment to its memorandum of association and articles of association and alteration of name to reflect its status as a public company.

PART III

AMALGAMATION OF TRANSFEROR COMPANIES WITH TRANSFEREE COMPANY

17. TRANSFER AND VESTING

17.1 With effect from the Appointed Date, the whole of the undertaking including assets, investments and properties of the Transferor Companies, shall, under the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act or deed, stand transferred and/or deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets, investments and properties of the Transferee Company.

17.1.1 Any and all assets relating to the Transferor Companies, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme shall stand transferred and vested by the Transferor Companies to the Transferee company and shall become the property and an integral part of the Transferee Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to

the property being vested and title to the property shall be deemed to have been transferred and vested accordingly. No stamp duty shall be payable on the transfer of such movable properties upon its transfer and vesting in the Transferee company

17.1.2 Any and all movable properties of the Transferor Companies, other than those specified in sub-clause 17.1.1 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall without any further act, instrument or deed, be transferred and vested as the property of the Transferee company.

17.1.3 Any and all immovable properties (including land together with the buildings and structures standing thereon) of the Transferor companies, whether freehold or leasehold and any documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in the Transferee company, without any act or deed done by the Transferor companies or the Transferee company. With effect from the Appointed Date, the Transferee company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties. The mutation of title to the immovable properties in the name of the Transferee company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the Hon'ble High Court and this Scheme becoming effective in accordance with the terms hereof without any further act or deed on part of the Transferee company

17.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Transferor Companies, as on the Appointed Date, and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or upto the day of the Appointed Date shall, pursuant to the Orders of the High Court or such other competent authority as may be applicable under Section 394 and other applicable provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become

as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Companies.

17.3 With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions or approvals or consents held by the Transferor Companies required to carry on operations 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 therewith in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, registration or other licenses, and consents shall vest in and become available to the Transferee Company pursuant to the 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 person, or availed of by the Transferor Companies, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

17.4 All the existing securities, mortgages, charges, encumbrances or liens, if any, as on the Appointed Date and those created by the Transferor Companies after the Appointed Date, over the assets of the Transferor Companies transferred to the Transferee Company shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date. Such securities, mortgages, charges, encumbrances or liens shall not relate or attach or extend or enlarge to any of the other assets of the Transferee Company.

18. CONSIDERATION

18.1 The entire issued, subscribed and paid-up share capital of the Transferor Companies is held by the Transferee Company. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Companies and the share capital of the Transferor Companies shall stand cancelled.

18.2 Upon the coming into effect of this Scheme, the share certificates, if any, and/or the shares in electronic form representing the shares held by the Transferee Company in the Transferor Companies shall be deemed to be cancelled without any further act or deed for cancellation thereof by the Transferee Company.

19 ACCOUNTING TREATMENT

19.1 All assets and liabilities of the Transferor Companies shall be transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded by the Transferee Company at their respective book values;

Explanation: Book values of work in progress shall only be the original cost of acquisition of land/ rights thereon and the directly attributable operational costs of development activities.

19.2 The investments in the share capital of the Transferor Companies held by the Transferee Company, if any, as on Effective date, shall stand cancelled;

19.3 Inter-company balances, if any, will stand cancelled;

19.4 The difference, between the book value of assets and the book value of liabilities transferred to the Transferee Company, after making the adjustment as mentioned in clause 19.2 and 19.3 above, in case of excess, shall be credited to Capital Reserve Account and in case of shortfall, be debited to Goodwill account / Capital Reserve Account.

19.5 The Transferee Company may make suitable adjustments in the books of accounts including but not limited to application of uniform accounting policies and creation of provision for diminution in value of assets taken over pursuant to the Scheme and advances given to any trust concerning stock options and adjust the same in the Capital Reserve / General Reserve/ accumulated profits of the Company.

20. CONDUCT OF BUSINESS TILL THE EFFECTIVE DATE

20.1 The Transferor Companies shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of its entire business and undertakings, for and on account of and in trust for the Transferee Company. The Transferor Companies

hereby undertakes to hold the said assets with utmost prudence until the Effective Date or Appointed Date, whichever is later

20.2 Until the Scheme is effective, the Transferor Companies shall carry on its businesses and activities with reasonable diligence and business prudence and shall not, alter or diversify its respective business nor venture into any new business, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company.

20.3 With effect from the Appointed Date upon the Scheme becoming effective, all the profits or income accruing or arising to the Transferor Companies or expenditure or losses arising or incurred or suffered by the Transferor Companies, shall for all purposes be treated as the income or profits or losses or expenditure as the case may be of the Transferee Company.

20.4 The Transferor Companies shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by the Transferor Companies as the case may be.

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

21. LEGAL PROCEEDINGS

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

21.2 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Companies, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company.

22. CONTRACTS, DEEDS, ETC

22.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance Letters of Intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Companies to which the Transferor Companies is party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party thereto.

22.2 The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Companies will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Companies and to implement or carry out all formalities required on the part of the Transferor Companies to give effect to the provisions of this Scheme.

22.3 All taxes of any nature, duties, cess or any other like payments or deductions made by Transferor Companies to any statutory authorities such as Income Tax, Sales tax, Service Tax, Value Added Tax etc. or any tax deduction/ collection at source, relating to the period after the Appointed Date and upto the Effective Date shall be deemed to have been on account of and on behalf of Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the order on this Scheme by the High Court or any other appropriate authority and upon relevant proof and documents being provided to the said authorities.

22.4 The Transferor Companies and the Transferee Company are expressly permitted to revise their respective tax returns including tax deducted at source (TDS) certificates/ returns and to claim refunds, advance tax credits, excise and service tax credits, set

off, etc., upon coming into effect of this Scheme, and its right to make such revisions in the related tax returns and related certificates, as applicable, and the right to claim refunds, adjustments, credits, set-offs, advance tax credits pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly reserved.

22.5 All cheques and other negotiable instruments, payment orders received in the name of Transferor Companies after the Effective Date shall be accepted by the bankers of Transferee Company and credited to the account of Transferee Company. Similarly, the banker of Transferee Company shall honor cheques issued by Transferor Companies for payment after the Effective Date

23. SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities under Clause 17 above and the continuance of proceedings by or against the Transferee Company under Clause 21 above shall not affect any transaction or proceedings already concluded by the Transferor Companies, on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Companies in respect thereto as done and executed on behalf of the Transferee Company

24. STAFF, WORKMEN & EMPLOYEES

24.1 All the permanent employees of the Transferor Companies, who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favorable than those on which they are engaged by the Transferor Companies immediately preceding the Effective Date. Services of the employees of the Transferor Companies shall be taken into account from the date of their respective appointment with the Transferor Companies for the purposes of all retirement benefits and all other entitlements for which they may be eligible. The Transferee Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Companies shall also be taken into account.

24.2 The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Companies.

24.3 It is provided that as far as the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund 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 Transferee Company shall stand substituted for the Transferor Companies in respect of the employees transferred with the undertaking for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. The Funds shall, subject to the necessary approvals and permissions and at the discretion of PLL, either be continued as separate funds of PLL for the benefit of the employees related to PMTDPL Demerged Undertaking or be transferred to and merged with other similar funds of PLL.

24.4 It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Funds or Trusts shall become those of the Transferee Company. The Trustees including the Board of the Transferor Companies and the Transferee Company or through any committee / person duly authorized by the Board in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Companies.

24.5 With effect from the first of the dates of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Companies shall not vary or modify the terms and conditions of employment of any of its employees, except with written consent of the Transferee Company.

25. WINDING UP

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

PART IV - GENERAL TERMS AND CONDITIONS

26. APPLICATION TO HIGH COURT

The Demerged Company, Transferor Companies and the Transferee Company, as may be directed by the High court of Judicature at Bombay, shall make all necessary applications and petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act for seeking approval of the Scheme.

27. ADJUSTMENTS IN THE BOOKS OF THE TRANSFEREE COMPANY

27.1 Goodwill/ Capital Reserve arising pursuant to the Scheme shall be netted off inter-se in the balance sheet of PLL. In case of balance goodwill, if any, the same may be adjusted against the balance in General Reserve Account/ accumulated profits of PLL.

27.2 Any charge/impairment/ write-off arising in the consolidated accounts of Transferee Company as a result of this scheme may be adjusted against the Consolidated Capital Reserve/ General Reserve/ accumulated profits of the Transferee Company.

28. CONDITIONALITY OF THE SCHEME

28.1 This Scheme is and shall be conditional upon and subject to:

(a) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective shareholders and/or creditors of the Demerged Company, Transferee Company and the Transferor Companies as may be directed by the High Court.

(b) The Scheme being sanctioned by the High Court or any other authority under Sections 391 to 394 and other applicable provisions of the Act.

(c) The certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra by the Demerged Company, Transferor Companies and the Transferee Company.

28.2 The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if is approved in its entirety unless specifically agreed otherwise by the Transferor Companies and the Transferee Company, by their respective Board.

29. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Demerged Company, Transferor Companies and the Transferee Company with approval of their respective Boards may consent, from time to time, on behalf of all persons concerned, to any modifications/amendments or additions/deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Boards to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Hon'ble Court or any other authorities under law may deem fit to approve of, to direct and /or impose. The aforesaid powers of the Demerged Company, Transferor Companies and the Transferee Company to give effect to the modification/amendments to the Scheme may be exercised by their respective Boards or any person authorised in that behalf by the concerned Board subject to approval of the Hon'ble Court or any other authorities under applicable law.

30. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

31. COMBINATION OF AUTHORIZED CAPITAL OF TRANSFEREE COMPANY

Upon coming into effect of the Scheme, the Authorized Share Capital of the Transferor Companies as mentioned in Clauses 3.1, 3.3 and 3.4 above, or such amount as may be on the Effective Date, may be added to the Authorized Share Capital of the Transferee Company, as on Effective Date, without any further act or deed and without any further payment of stamp duty or the registration fees and

Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Transferee Company to be amended accordingly. The Authorized Capital to be increased by Rs. 3,13,30,000 (Rs. Three Crores Thirteen Lacs Thirty Thousand Only).

32. COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.

TRUE-COPY
30/10/2013
Mrs. K. M. RANE
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

Certified to be TRUE COPY
For RAJESH CHAH & CO.
Advocate for the Petitioner/Applicant

HIGH COURT O

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

COMPANY SCHEME PETITION NO 658 OF 2013

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTIONS NO 637 OF 2013

In the matter of the Companies Act, 1956 (1 of 1956);

AND

In the matter of Sections 391 to 394 read with Section 78 and Sections 100 to 103 of the Companies Act,, 1956;

AND

In the matter of Composite Scheme of Arrangement and Amalgamation

between

Peninsula Mega Township Developers Private Limited

and

City Parks Private Limited

and

RR Mega Property Developers Private Limited

and

Wismore Real Estate Private Limited

with

Peninsula Land Limited

and

their respective shareholders

City Parks Private Limited

..... Petitioner Company

AUTHENTICATED COPY OF MINUTES OF ORDER DATED OCTOBER 25, 2013 ALONG WITH THE SCHEME ANNEXED TO THE PETITION

M/S Rajesh Shah & Co

Advocates for the Petitioner

Applied on 25/10/2013
Engrossed on 28/10/2013
Section
Police
Examined (Vaishali)
Compared with (Vijay)
Ready on 30/10/2013
Delivered on 30/10/2013