

**MEMORANDUM OF ASSOCIATION
and
ARTICLES OF ASSOCIATION
of
BAJAJ HINDUSTHAN
SUGAR LIMITED**

(As Amended upto 05/12/2017)

REGISTERED OFFICE :

**GOLAGOKARANNATH,
LAKHIMPUR-KHERI,
DISTRICT KHERI,
UTTAR PRADESH– 262802.**



सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Registrar of Companies, Kanpur

10/499-B, Allenganj, , Khalasi Line, , Kanpur - 208002, Uttar Pradesh, INDIA

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

Corporate Identification Number (CIN): : L15420UP1931PLC065243

I hereby certify that the name of the company has been changed from BAJAJ HINDUSTHAN LIMITED to Bajaj Hindusthan Sugar Limited with effect from the date of this certificate and that the company is limited by shares.

Company was originally incorporated with the name HINDUSTAN SUGAR MILLS LIMITED

Given under my hand at Kanpur this Thirtieth day of January Two Thousand Fifteen.

Signature valid

Digitally signed by
Kumar Satya Parkash
Date: 2015.01.30
17:13:24 GMT+05:30

SATYA PARKASH KUMAR

Registrar of Companies
Registrar of Companies
Kanpur

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

Bajaj Hindusthan Sugar Limited
Golagokaranath, Lakhimpur Kheri - 262802,
Uttar Pradesh, INDIA



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Kanpur

10/499-B, Allenganj,,Khalasi Line,,,,Kanpur,Uttar Pradesh,INDIA,208002

Corporate Identity Number : L15420UP1931PLC065243

SECTION 13(5) OF THE COMPANIES ACT, 2013

Certification of Registration of Regional Director order for Change of State

M/s BAJAJ HINDUSTHAN LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Maharashtra to the Uttar Pradesh and such alteration having been confirmed by an order of MUMBAI, REGIONAL DIRECTOR (WR) MCA bearing the date 17/02/2014.

I hereby certify that a certified copy of the said order has this day been registered.

Given under my hand at Kanpur this Sixth day of August Two Thousand Fourteen.

Signature valid
Digitally signed by
Alok Tandon
DN: cn=Alok Tandon,
o=Registrar of Companies,
ou=Kanpur,
c=IN

ALOK TANDON
Assistant Registrar of Companies
Registrar of Companies
Kanpur

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

BAJAJ HINDUSTHAN LIMITED
Golagokaranath, Lakhimpur Kheri - 262802,
Uttar Pradesh, INDIA



NO. 1797/TA

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY.

In the matter of * THE HINDUSTHAN SUGAR MILLS LIMITED.

I hereby approve and signify in writing under
Section 21 of the Companies Act, 1956 (Act I 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 THE HINDUSTHAN SUGAR
MILLS LIMITED.

to BAJAJ HINDUSTHAN LIMITED.

and I hereby certify that THE HINDUSTHAN SUGAR MILLS
LIMITED.

which was originally incorporated on TWENTY FOURTH
day of
NOVEMBER 1931 under the ** INDIAN COMPANIES Act 1913
and under the name THE HINDUSTHAN SUGAR MILLS LIMITED.

having duly passed the necessary resolution in terms of
section 21/22(1)(a)/22(1)(b) of the Companies Act, 1956 the
name of the said Company is this day changed to BAJAJ
HINDUSTHAN LIMITED.

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

GIVEN UNDER MY HAND AT BOMBAY THIS TWENTY SEVENTH
DAY OF
JUNE 1988 (One thousand nine hundred Eighty Eight)

(POORAN CHANDRA)
ADDL. REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.



Note: *Here give the name of
the company as existing prior to change.
** Here give the name of the Act(s) under which the
company was originally registered and incorporated.

S. P. O. 100-10-29-(10)
G. R., R. D., No. 2552, dated 5-8-1881 and
G. R., R. D., No. 8182, dated 29-7-1916.



Certificate under Section 103 (2) of the Indian Companies Act,
VII of 1913, that a Company is entitled to commence business.

I hereby Certify, That

The Hindusthan Sugar Mills Limited

which was incorporated under the Indian Companies Act, VII of 1913, on the
Twenty-fourth day of November 1931, and which has this day filed a
statutory declaration in the prescribed form that the conditions of Section 103 [1 (a) to (d)] of the
said Act have been complied with, is entitled to commence business.

Given under my hand at Bombay this Fifteenth day of December
One Thousand Nine Hundred and Thirty-one.



[Signature]
Registrar of Companies.



Certificate of Incorporation.

No. 1797 of 1931-1932.

I hereby certify that The Hindusthan Sugar
Mills Limited

is this day incorporated under the Indian
Companies' Act, VIII of 1913, and that the
Company is Limited.

Given under my hand at Bombay
this Twenty-fourth day of November
One thousand nine hundred and thirty-one.

L. Mitchell

Registrar of Joint-Stock Companies.

MEMORANDUM OF ASSOCIATION
OF
BAJAJ HINDUSTHAN SUGAR LIMITED[#]

- I. [#] The name of the Company is “BAJAJ HINDUSTHAN SUGAR LIMITED”.
- II. ^{*} The registered office of the Company shall be situated in the State of Uttar Pradesh.
- III. The Objects for which the Company is established are the following;
1. TO CARRY on business of manufacturers of and dealers in all kinds of sugar, gur and sugar and gur preparations.
 2. TO PLANT, grow, buy, sell, refine, prepare for market, manipulate, import, export and deal in sugar and gur of all kinds.
 3. TO CARRY on the business of planters and cultivators of sugar plants and any other plants producing anything of a similar character.
- 3A. Subject to the sanction of the shareholders by an ordinary resolution:
- (1) To carry on business as manufacturers of and dealers and merchants in chemicals and manures, distillers, dye-maker gas-makers, metallurgists and mechanical engineers, ship owners and charterers and carriers by land and sea, wharfingers, warehousemen, barge owners, planters and farmers.
 - (2) To carry on all or any of the businesses as of soap and candle-makers, tallow merchants, chemists, druggists, oil merchants and manufacturers of dyes, paints, chemicals, starch, manufacturers of and dealers in pharmaceutical chemicals, medical and other preparations or compounds, perfumery and proprietary articles of every description.
 - (3) To carry on the business of extracting oil either by crushing or by chemical or any other process from copra, cotton seed, linseed, castor-seed, groundnuts or any other nut or seed or other oil-bearing substance whatsoever.

^{*} The situation Clause II has been altered w.e.f. 06.08.2014 upon registration of the Order dated February 14, 2014 of Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai for changing of the place of registered office from the state of Maharashtra to the state of Uttar Pradesh as approved vide Special Resolution passed by the shareholders through Postal Ballot, the result of which was declared on September 30, 2013.

[#] The name clause I has been altered w. e. f 30.01.2015 upon issuance of a fresh certificate of incorporation with new name by Registrar of Companies, as approved vide special resolution passed by the shareholders through Postal Ballot, the result of which was declared on January 24, 2015.

- (4) To carry on business of manufacturers refiners, importers and exporter of and dealers and merchants in copra, cotton seed, linseed, castor-seed, groundnuts or any other nut or seed or oil bearing substance whatsoever and oils and cakes manufactured there from, makers and manufacturers of cattle food and feeding and fattening preparations of every description, makers and manufacturers of manures and fertilizers of every description and corn merchants, millers, flour merchants, hay straw and fodder merchants and nurserymen, dairymen and owners traders and dealers in livestock.
- (5) To carry on the trades or business of ironmasters, steel makers, steel converters, manufacturers of Ferro-manganese, colliery proprietors, coke manufacturers, miners, smelters, engineers, tin plate makers and iron founders, in all their respective branches.
- (6) To search for, get, work, raise, make merchantable, sell and deal in iron, coal, ironstone, limestone, manganese, Ferro-manganese, magnesite, clay, fire-clay, brick earth, bricks and other metals, minerals and substances and to manufacture and sell briquettes and other fuel and generally to undertake and carry on any business, transaction or operation commonly undertaken or carried on by explorers, prospectors, or concessionaires and to search for, win, work, get, calcine, reduce, amalgamate, dress, refine and prepare for the market any quartz and ore and mineral substances and to buy, sell, manufacture and deal in minerals and mineral products, plant and machinery and other things capable of being used in connection with mining or metallurgical operations or required by the workmen and others employed by the Company.
- (7) To carry on business of planters, farmers, growers of all kinds of corn, cereals, vegetables and other produce of the soil and to prepare and render marketable any such produce and to sell dispose of and deal in any such produce either in its prepared or raw state and to manufacture and deal in provisions of all kinds there from.
- (8) To carry on the business of spinning, weaving or manufacturing or dealing in cotton or other fibrous substances and the preparation, dyeing or colouring of any of the said substances and the sale of yarn, cloth or other manufactured fibrous products.
- (9) To carry on all or any of the businesses following namely cotton spinners and doublers, flax, hemp and jute spinners, linen manufacturers, flax, hemp, jute and wool merchants, wool combers, worsted spinners, woolen spinners, yarn merchants, worsted stuff manufacturers, bleachers dyers and makers of vitriol, bleaching and dyeing materials and to purchase, comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances and to weave or otherwise manufacture, buy and sell and deal in linen cloth and other goods and fabrics, whether textile, felted, netted or looped and supply power and to carry on or be interested in the businesses of pressing and ginning mill proprietors.

- (10) To carry on in all its branches the business of producers, manufacturers, purchasers, refiners, importers, exporters, sellers of and dealers in cement, asbestos, alumine cement, Portland cement, lime and limestone, kankar, plasters, artificial stone and materials of every kind used in the manufacture thereof, whiting, clay, gravel, sand, sacks, bricks, tiles, building materials of all kinds and all materials analogous to or connected therewith and the business of miners, metallurgists, builders, contractors and to purchase and vend all materials, raw processed or otherwise and all articles in any way connected with the said business.
- (11) To carry on in all its branches the business of producers, manufacturers, importers and exporters of and dealers in all kinds and classes of paper, cardboards, strawboards and pulp and all other allied and bye-products thereof including all raw materials requisite or necessary for the same.
- (12)* To promote, develop, generate, distribute, accumulate, transmit, supply, sell electricity and/or power by installing power plant/s, whether based on thermal, hydel, gas, solar, windmill, diesel, furnace oil or any other source and to lay down, establish power stations, cables, transmission lines or towers, sub-stations, terminals and other works for the aforesaid purposes and to acquire, run or manage any company or undertaking engaged in similar business and/or activities.
- (13)* To engage in the business of engineering, contracting and construction including the design, manufacture, construction, erection, alteration, repair, and installation of plants, buildings, structures, ways, works, systems and mechanical electrical and electronic machineries, equipments, apparatus and devices.
- (14)* To explore, prospect, take on lease or on royalty basis or otherwise, acquire mines, mining rights and lands or any interest therein and to quarry, mine, dress, reduce, draw, extract, calcine, smelt, refine, manufacture, process and otherwise acquire, buy, sell or otherwise dispose of and deal in all types, qualities and description of ore, metal and mineral substances and to carry on any metallurgical operations.
- (15)* To carry on the business of construction of roads, bridges, tunnels, dams, canals, jetties, setting up of other infrastructural facilities and/or running them on lease, rentals, toll, etc. and to engage in repairing and/or maintenance thereof.
- (16)* To carry on all or any of the business of buyers, sellers, suppliers, traders, merchants, importers, exporters, indentors, brokers, agents, cultivators, growers, manufacturers, producers, assemblers, packers, hirers, repairers, stockists, distributors of and/or dealers in all types of goods, commodities, produce and merchandise of any type and description subject to trade laws.

* (Objects Clause altered by inserting the above new paras (12), (13), (14), (15) and (16) after para (11) in sub-clause (3A) vide Special Resolution passed vide postal ballot results of which were declared at the 72nd Annual General Meeting held on 25th March, 2004.)

3B.* To carry on in India or abroad the business to manufacture, produce, process, prepare, convert, derive, compound, grade, develop, design, press, stitch, mould, fabricate, flex, stretch, stamp, shape, smelt, emboss, print, laminate, manipulate, commercialize, market, distribute, promote, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaire, consultant, advisor, job worker, collaborator, franchisers, transporter, stockiest, distributor, export house or otherwise to deal in all varieties, shapes, sizes, capacities, descriptions, dimensions, density of fiber boards, particle boards, card boards, laminates, papers etc. made of or originated from by-products or waste products of other trades and industries, paper, wood, plants or other ecological sources or agricultural products of any kind including but not limited to bagasse pulp, wood and bamboo pulp, waste paper pulp, semi-chemical pulp, synthetic pulp and other related pulps used for manufacturing of all kinds of boards and papers, organic or inorganic, biological, ecological or any other formulations, derivatives and compounds there from and other branded preparations and compounds, derivatives and all types of formulations thereof and consumers products manufactured or derivatives based thereon and to cultivate, crush, utilize, buy, sell and deal in all related seeds, substances, raw materials, ingredients, intermediates, wastes, residues, by-products thereof and to establish, promote, operate & develop forests, nurseries and farms for growing and cultivating plants and trees for captive consumption or otherwise and to carry out research and development related thereto.

To carry on
other business

4. TO CARRY on any other business (whether manufacturing or otherwise) which may seem to the company capable of being conveniently carried on in connection with the above or calculated directly to enhance the value of or render profitable any of the company's property or rights.

To purchase
other business

5. TO ACQUIRE and undertake the whole or any part of the business, property and liabilities of any person or company carrying on any business which the company is authorized to carry on, or possessed of property suitable for the purpose of this company.

To purchase
patents

6. TO APPLY for, purchase, or otherwise acquire, any patents, brevets d'invention, licenses, concessions and the like, conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop, or grant licenses in respect of, or otherwise turn to account the property, rights or information so acquired.

* (New sub-clause 3B inserted after sub-clause 3A pursuant to the Scheme of Amalgamation of Bajaj Eco-Tec Products Limited with Bajaj Hindusthan Limited with effect from 1st October, 2012 being the effective date of the Scheme of Amalgamation under Section 391 to 394 of The Companies Act, 1956 which was approved by the members at a Court convened meeting held on June 16, 2012 and sanctioned by the Hon'ble High Court of Judicature at Bombay on 14th September, 2012.)

- To enter into partnership, take shares, etc.
7. TO ENTER into partnership or into any arrangements for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise with any person or company or companies carrying on or engaged in, or about to carry on, or engage in, any business or transaction capable of being conducted so as directly or indirectly to benefit this company. And to lend money to, guarantee the contracts of, or otherwise assist, any such person or company and to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same.
- To take shares in other companies
8. TO TAKE, or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.
- To make arrangements with authorities.
9. TO ENTER into any arrangements with any Governments or authorities Supreme, Municipal, Local, or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or Authority, any rights, privileges and concessions which the company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- To benefit employees, etc.
10. (a) To establish and support or aid in the establishment and support of any associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the company (or its predecessors in business) or the dependents or relatives of such persons and to grant pensions and allowances and to make payment towards insurance.
- (b) To support, subscribe, contribute to or otherwise assist any charitable, benevolent, religious, scientific, international, political, or any other institutions, associations, organizations, objects or purposes or for any exhibition and without prejudice to the generality of the fore-going provisions and the furtherance thereof the Directors may give such aid support assistance to such individuals and bodies (incorporated or in-incorporated) in such manner as the directors may think fit including in particular :-
- i) Grant of loans without or at interest and without or with such securities and repayable in such installments as the Directors may think fit;
- ii) Grants or contributions towards maintenance of and support to any individual or body and
- iii) Grants or contribution for any political purposes to any individual or body.
- To promote companies
11. TO PROMOTE any company or companies for the purposes of acquiring all or any of the property, rights and liabilities of this company, or for any other purpose, which may seem directly or indirectly calculated to benefit this company.

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| To purchase property etc. | 12. | GENERALLY TO PURCHASE take on lease or in exchange, hire or otherwise acquire, any real and personal property, including lands, buildings etc., and any rights or privileges which the company may think necessary or convenient for the purposes of its business and in particular any land, buildings, easements, machinery, plant and stock-in-trade. |
| To build, etc. | 13. | TO CONSTRUCT, maintain and alter any buildings, or works, necessary or convenient for the purposes of the company. |
| To construct work | 14. | TO CONSTRUCT, improve, maintain, develop, work, manage, carry out or control, any roads, ways or tramways, railways, branches or sidings, bridges, reservoirs, water courses wharves, manufactories, ware-houses, electric works, shops, stores and other works and conveniences which may seem calculated directly or indirectly to advance the Company's interests and to contribute to, subsidies or otherwise assist or take part in the construction, improvement, maintenance, working, management, carrying out or control thereof. |
| To invest | 15. | TO INVEST and deal with the moneys of the company not immediately required in such manner as may from time to time be determined. |
| To receive money on deposit, lend, and guarantee | 16. | TO LEND money to such persons or companies and on such term as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of contracts by any such persons or Companies. |
| To give guarantees | 16A. | TO GUARANTEE the payment or repayment of money or performance of any contract or obligation by any person, firm or Company. |
| To borrow and mortgage, etc. | 17. | TO BORROW or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures, or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property both present and future, including its uncalled capital and to purchase, redeem or pay off any such securities. |
| To remunerate | 18. | TO REMUNERATE any person or Company for services rendered or to be rendered, in placing or assisting to place or guaranteeing the placing of any the shares in the Company's capital, or any debentures, debenture-stock or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business. |
| To accept bills, etc. | 19. | TO DRAW, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments. |
| To act as trustee | 20. | TO UNDERTAKE and execute any trusts the undertaking whereof may seem desirable and either gratuitously or otherwise. |
| Sale of undertaking | 21. | TO SELL or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures, or securities of any other Company having object or objects altogether or in part similar to those of this Company. |

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|----------------------------------|---|
| To advertise products of Company | 22. TO ADOPT such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donation. |
| To obtain Acts | 23. TO OBTAIN any provisional order or act of Legislature for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interest. |
| Foreign Registration | 24. TO PROCURE the Company to be registered or recognized in any Foreign country or place. |
| To sell etc. | 25. TO SELL, improve, manage, exchange, lease, mortgage, enfranchise, dispose of, turn to account, or otherwise deal with, all or any part of the property and rights of the Company. |
| | 26. TO DO all or any of the above things in any part of the world as principals, agents, contractors, trustees, or otherwise and by or through trustees, agents, or otherwise and either alone or in conjunction with others. |
| | 27. TO DO all such other things as are incidental or conducive to the attainment of the above objects. |
| | 28. AND IT IS hereby declared that the word "Company" in this clause shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated and whether domiciled in the United Kingdom or elsewhere and the intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be independent main objects and shall be in no wise limited or restricted by reference to or in reference from the terms of any other paragraph or the name of the Company. |
| | 29.* TO amalgamate with any other company or body corporate or body of persons". |

IV. The liability of the Members is limited.

* (New sub-clause 29 inserted after sub-clause 28 by a special resolution passed by the shareholders through Postal Ballot as per result declared on 14th May, 2012.)

V* . “The Authorised Share Capital of the Company is Rs. 500,00,00,000 (Rupees Five hundred crore only) divided into 500,00,00,000 (Five hundred crore) equity shares of Re.1/- (Rupee One) each.”

*

(Authorised share capital increased from Rs.20,00,000/- to Rs.35,00,000/- by a Special Resolution passed by the members at the Extraordinary General Meeting held on 23rd May, 1947.)

(Authorised share capital increased from Rs.35,00,000/- to Rs.50,00,000/- by a Special Resolution passed by the members at the Extraordinary General Meeting held on 25th June, 1951.)

(Authorised share capital increased from Rs.50,00,000/- to Rs.65,00,000/- by a Special Resolution passed by the members at the Extraordinary General Meeting held on 25th February, 1954.)

(Authorised share capital increased from Rs.65,00,000/- to Rs.1,25,00,000/- by a Special Resolution passed by the members at the Extraordinary General Meeting held on 26th June, 1962.)

(Authorised share capital increased from Rs.1,25,00,000/- to Rs.5,00,00,000/- by a Special Resolution passed by the members at the Extraordinary General Meeting held on 28th June, 1966.)

(Authorised share capital increased from Rs.5,00,00,000/- to Rs.10,00,00,000/- by a Special Resolution passed by the members at the Annual General Meeting held on 28th January, 1986.)

(Authorised share capital increased from Rs.10,00,00,000/- to Rs.15,00,00,000/- by a Special Resolution passed by the members at the Extraordinary General Meeting held on 15th January, 1991.)

(Authorised share capital increased from Rs.15,00,00,000/- to Rs.80,00,00,000/- by an Ordinary Resolution passed by the members at the Annual General Meeting held on 25th March, 2004 comprising of 3,00,00,000 equity shares and 5,00,00,000 unclassified shares. Face value of each share Rs. 10/-.)

(Subdivision of shares of face value of Rs.10/- each into face value of Re.1 /- each. Consequently, 3,00,00,000 equity shares of Rs.10/- each and 5,00,00,000 unclassified equity shares of Rs. 10/-each in Authorised Share Capital aggregating to Rs.80,00,00,000/-were subdivided into 30,00,00,000 equity shares of Re. 1/- each and 50,00,00,000 unclassified shares of Re. 1/- each by an Ordinary Resolution passed by the members at the Extraordinary General Meeting held on 16th April, 2004 .)

(Out of Authorised Capital of Rs.80,00,00,000/-, which comprised of 50,00,00,000 unclassified shares of Re.1/- each were classified as 50,00,00,000 equity shares of Re.1/- each by an Ordinary Resolution passed by the members at the Annual General Meeting held on 18th March, 2010 .)

(Authorised Share Capital increased from Rs.80,00,00,000 to Rs.1,80,00,00,000 pursuant to the Scheme of Amalgamation of Bajaj Hindusthan Sugar and Industries Limited with Bajaj Hindusthan Limited with effect from 20th December, 2010 being the effective date of the Scheme of Amalgamation under Section 391 to 394 of The Companies Act, 1956 which was approved by the members at a Court convened meeting held on 7th September, 2010 and sanctioned by the Hon'ble High Court of Judicature at Bombay on 26th November, 2010.)

(Authorised Share Capital increased from Rs.1,80,00,00,000 to Rs.2,71,00,00,000 pursuant to the Scheme of Amalgamation of Bajaj Eco-Tec Products Limited with Bajaj Hindusthan Limited with effect from 1st October, 2012 being the effective date of the Scheme of Amalgamation under Section 391 to 394 of The Companies Act, 1956 which was approved by the members at a Court convened meeting held on 16th June, 2012 and sanctioned by the Hon'ble High Court of Judicature at Bombay on 14th September, 2012.)

(Authorised Share Capital increased from Rs.2,71,00,00,000 to Rs.5,00,00,00,000 by an Ordinary Resolution passed by the members through Postal Ballot, the result of which was declared on 5th December, 2017.)

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

Names of Subscribers	Address and description of Subscribers	Number of Shares taken by each Subscriber	Witness
Ramniwas Ramnarain	395, Kalbadevi Road, Bombay. Merchant	100	Dinshaw D. Romer
Keshavdeo Nevatia	" "	1	
Fatechand Jhunjhunwala	" "	1	
Nilkanth I. Mashruwala	" "	1	Solicitor, Bombay.
Moongilal Jawaladutt	226, Kalbadevi Road, Bombay. Merchant.	1	
Ramkumar Phoolchand	" "	1	
Madhav Narayan Padvedar	3/12, Khedkar Building, Dadar, Bombay. Service.	1	

Dated 24th day of November 1931.

ARTICLES OF ASSOCIATION

OF

BAJAJ HINDUSTHAN SUGAR LIMITED [#]

I. PRELIMINARY

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

“The Company” means the above named Company.

“The Companies Act” means the Indian Companies Act VII of 1913.

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

“The Register” means the register of members to be kept pursuant to Sec. 31 of the Companies Act.

“Month” means calendar month.

“In writing” or “written” mean and include words printed, lithographed, represented or re-produced in any mode in a visible form.

“The Directors” means the director for the time being of the Company.

“Secretary” includes any person appointed to perform the duties of Secretary temporarily.

“Special Resolution” and Extra-ordinary Resolution” have the meaning assigned thereto respectively by Sec. 81 of the Companies Act.

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

Words importing the masculine gender only include the feminine gender.

Words importing persons include corporations.

#

The name has been changed w. e. f 30.01.2015 upon of a fresh certificate of incorporation with new name by Registrar of Companies, as approved vide special resolution passed by the shareholders through Postal Ballot, the result of which was declared on January 24, 2015.

Table A not to apply

2. The regulations contained in Table A (in the first Schedule to the Companies Act) shall not apply to the Company.

Seal to be affixed to agreement

3. The Company shall forthwith enter into an agreement with Messrs. Bachhraj & Co. Limited in the terms of the draft a copy whereof has for the purpose of indentification been subscribed by Mr. Dinshaw D. Romer, a solicitor of the High Court of Bombay, and the Directors shall carry the said agreement into effect, with full power, nevertheless at any time, and from time to time, either before or after the execution thereof, to agree to any modification thereof. The basis on which the Company is established is, that the Company shall enter into the said agreement on the terms therein set forth, subject to any such modifications (if any) as aforesaid and that some of the members of the said Bachhraj & Co. Limited are to be the first Directors of the Company and accordingly it shall be no objection to the said agreement that such members as promoters and Directors stand in a fiduciary position towards the Company, or that they do not in the circumstances constitute an independent board, and every member of the Company present and future is to be deemed to join the Company on that basis.

Company's shares not to be purchased

4. None of the funds of the Company shall be employed in the purchase of, or lent on, shares of the Company.

Amount of capital

4A³. The Authorised Share Capital of the Company shall be the capital as specified in clause V of the Memorandum of Association of the Company, with power to increase and reduce the Share Capital of the Company and to divide the shares in the capital for the time being, into several classes and to attach thereto such preferential, deferred, qualified, guaranteed or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided in the Articles of Association.

Minimum Subscription

5. The minimum subscription upon which the directors may proceed to allotment is seven shares of Rupees 100 (One Hundred) each, and no allotment shall be made of any share capital of the Company, unless the said minimum subscription has been subscribed and the sum payable on application therefore has been paid to and received by the Company.

Amount payable on application

6. The amount payable on application on each share of the Company, offered to the public for subscription shall not be less than 5 percent of the nominal amount of the share.

Allotment of shares

7. Subject to the provisions of the agreements above mentioned and of the (two) last preceding clauses, the shares shall be under the control of the directors who may allot or otherwise dispose of the same to such persons on such terms and conditions, and either at a premium or at par and at such times as the directors think fit, and with the sanction of the Company in General Meeting to give to any person the call of any shares either at par or at a premium during such time, and for such consideration as the directors think fit.

³ (Altered vide Special Resolution passed at the 72nd Annual General Meeting held on 25th March, 2004.)

8. 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 personal representatives.

Installments
on shares to
be duly paid

9. 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 shares, debentures or debenture stock of the Company, but so that if the commission in respect of shares shall be paid or payable out of capital the statutory conditions and requirements shall be observed and complied with, and the amount or rate of commission shall not exceed ten per cent on the shares, 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.

Commission
for placing
shares

10. The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.

Shares may be
issued subject
to different
conditions, as
to calls etc.

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

Liability of
joint holders
of share

12. Save as herein otherwise provided the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by statute required, be bound to recognize any equitable or other claim to or interest in such or the part of any other person.

Trust not
recognized

II. CERTIFICATES

13. The certificate of title to shares shall be issued under the seal of the Company, and shall bear the signatures of two directors.

Certificates

14. The Certificates of Shares shall be issued in accordance with the Companies (Issue of Share Certificates) Rules, 1960 or any modification thereof or any other Rules in respect thereof from time to time in force. Every member shall be entitled to one Certificate for all shares of each class registered in his name. If the Directors so approve and upon paying such fee, if any, as the Directors may from time to time determine in respect of each class of shares, a member shall be entitled to more than one certificate for shares of each class as per marketable lot.

Certificate of
shares

14A. Notwithstanding anything contained in Article 14, the Board of Directors may in its absolute discretion refuse application for splitting of Share Certificates in denominations of less than the marketable lot as prevailing from time to time except when such

Right to
refuse
splitting
below
marketable
lot.

splitting is required to be made to comply with a statutory provision or an Order of a competent Court of Law.

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

15. If any certificate be worn out or defaced, 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 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. The sum of One Rupee shall be paid to the Company, for every certificate issued under this clause.

Provided that no renewal fee shall be payable for new certificates issued in replacement of those which are old, decrepit or worn out or where the cages on the reverse (of the certificates) for recording transfers have been fully utilized.

Stamp duty on share certificates

15A. Notwithstanding anything contained in articles 14 and 15 of the Articles of Association of the Company, the Board of Directors may at their discretion charge and recover the stamp duty payable on share certificates issued in replacement of those that are torn, defaced, lost or destroyed or issued on splitting or consolidation of share certificates into denominations other than marketable lot and such payment should be made by the shareholder receiving the certificate prior to the issue of share certificate.

To which of joint holders certificates to be issued

16. The certificate of shares registered in the names of two or more persons shall be delivered to the person first named on the register.

III. CALLS

Calls

17. The directors may, from time to time, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person and at the times and places appointed by the directors. A call may be made payable by installments, and shall be deemed to have been made when the resolution of the directors authorizing such call was passed.

Notice to call

18. Fourteen days' notice of any call shall be given specifying the time and place of payment, and to whom such call shall be paid. Provided that before the time for payment of such call the directors may, by notice in writing to the members, revoke the same or extend the time for payment thereof.

Amount payable at fixed times or by installments, payable as calls.

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

20. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being 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 9 percent 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 determine.

When interest on call or installment payable

21. On the trial or hearing of any action for the recovery of any money due for any call, it shall be sufficient to prove that the name of the member sued is entered in the register as the holder, or one of the holders of the shares in respect of which such debt accrued, that the Resolution making the call is duly recorded in the minute book; and that notice of such call was duly given to the member sued, in pursuance of these presents, and it shall not be necessary to prove the appointment of the directors who made such call, nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence in action for call

22. The directors may, if they think fit, receive from any member willing to advance the same, all or any part of the sum due upon the shares held by him beyond the sums actually called for; and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advances have been made, the Company may pay interest at such rate as the member paying such sum in advance and the directors agree upon, or the directors may agree with such member that the member may participate in profits upon the amount so paid or satisfied in advance. And the directors may at any time repay the amount so advanced upon giving to such member three calendar months' notice in writing.

Payment of call in advance

IV. FORFEITURE AND LIEN

23. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the directors may at any time thereafter, during such time as the call or 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

24. 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 interest and expenses as aforesaid are to be paid the notice shall also state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

Form of Notice

25. If the requisitions of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls, or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the directors to that effect. Such

If notice not complied with shares may be forfeited

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

Notice after forfeiture

26. When any share has been so forfeited, notice of the resolution 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 register.

Forfeited share to become property of company

27. Any share so forfeited shall be deemed to be the property of the Company, and the directors may sell, reallocate, and otherwise dispose of the same in such manner as they think fit.

Power to annual forfeiture

28. The directors may, at any time before any share so forfeited shall have been sold, re-allotted, or otherwise disposed of, annual the forfeiture thereof upon such conditions as they think fit.

Arrears to be paid notwithstanding forfeiture

29. Any member whose shares shall 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 the interest thereon, from the time of forfeiture until payment, at the rate of 9 percent per annum and the directors may enforce the payment of such money or any part thereof if they think fit, but shall not be under any obligation so to do.

Company's lien on shares

30. 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 12 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

31. 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

32. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue if any shall be 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

33. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Directors

may 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.

33A. DEMATERIALISATION OF SECURITIES

I. For the purposes of this Article, unless the context otherwise requires:

Beneficial Owner: "Beneficial Owner" means a person whose name is recorded as such with a depository;

SEBI Board: "SEBI Board" means the Securities and Exchange Board of India;

Bye-Laws: "Bye-Laws" means bye-laws made by a Depository under Section 26 of the Depositories Act, 1996;

Depositories Act: "Depositories Act" means the Depositories Act, 1996 (22 of 1996) including any statutory modification or re-enactment thereof for the time being in force;

Depository: "Depository" means a company formed and registered under the Companies Act, 1956 (1 of 1956) and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

Record: "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by regulations made by the SEBI Board;

Regulations: "Regulations" means the regulations made by the SEBI Board;

Security: "Security" means such security as may be specified by the SEBI Board.

Dematerialisation of Securities:

II. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

Options to receive security certificates or hold securities with depository:

III. Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or hold securities with a depository. Where a person opts to hold a security with a depository, the Company shall intimate such

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

Securities in depositories to be in fungible form:

IV. All securities held by a depository shall be dematerialized and shall be in a fungible form.

Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of depositories and beneficial owners:

V. a) Notwithstanding anything to the contrary contained in the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

b) Save as otherwise provided in (a) above, the depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it.

c) Every person holding equity share capital of the Company and whose name is entered, as beneficial owner in the records of the depository shall be deemed to be a member of the company. The beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the securities held by a depository.

Depository to furnish information:

VI. Every Depository shall furnish to the Company information about the transfer of securities in the name of the beneficial owners at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

Option to opt out in respect of any security:

VII. If a beneficial owner seeks to opt out of a depository in respect of any security, the beneficial owner shall inform the depository accordingly.

The depository shall on receipt of intimation as above make appropriate entries in its records and shall inform the Company.

The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

Sections 83 and 108 of the Act not to apply:

VIII. Notwithstanding anything to the contrary contained in the Articles-

(a) Section 83 of the Companies Act, 1956 shall not

apply to the shares held with a depository.

(b) Section 108 of the Companies Act, 1956 shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a depository.

Register and Index of beneficial owners:

IX. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of the Companies Act, 1956.

Service of Documents:

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

Transfer of securities:

XI. Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

Allotment of Securities dealt with in a Depository:

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

Distinctive number of Securities held in a depository:

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

Register and Index of Beneficial Owners:

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

V. TRANSFER AND TRANSMISSION

34. The instrument of transfer of any share 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 in respect thereof.

Execution of
transfer, etc.

Form of
transfer

35. The instrument of transfer of any share shall be in writing in the usual common form or in the following form, or as near thereto as circumstances will admit:

I, _____ of _____ in
consideration of the sum of _____ paid to me by
_____ of hereinafter called "the transferee" do hereby transfer to
the transferee the _____ shares, numbered _____ to
_____ inclusive in the undertaking called Bajaj
Hindustan Limited, to hold unto the transferee, his executors,
administrators and assigns, subject to the several conditions on
which I held the same immediately before the execution hereof,
and I the transferee do hereby agree to take the said shares subject
to the conditions as aforesaid.

As witness our hands, the _____ day of _____

Witness to the signature of etc.

In what cases
directors may
decline to
register transfer

36. The directors may, at their own absolute and uncontrolled discretion decline to register any transfer of shares, and shall not be bound to give any reason for such refusal. This clause shall apply even in the case of a transferee who is already a shareholder.

No transfer to
infant, etc.

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

Transfer to be
left at office
and evidence of
title given,
when transfer
to be retained.

38. Every instrument of transfer shall be left at the office for registration accompanied by the certificate of the shares to be transferred, and such other evidence as the Company may require to prove the title of the transferor, or his right to transfer the shares. All instruments of transfer, which shall be registered, shall be retained by the Company, but any instrument of transfer which the directors may decline to register shall, on demand, be returned to the person depositing the same.

Fee on transfer

39. A fee not exceeding One Rupee may be charged for each transfer, and shall if required by the Directors, be paid before the registration thereof.

When transfer
books and
register may be
closed

40. The transfer books and registers of members and debentures-holders may be closed during such time as the Directors think fit not exceeding in the whole thirty days in each year.

Transmission
of registered
shares as to
survivorship

41. The executors or administrators of a deceased member whether European, Hindu, Mohammedan, Parsi or otherwise (not being one of several joint holders) shall be the only person recognized by the Company, as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executor or administrator unless such executor or administrator shall have first obtained Probate or Letters of Administration as the case may be, from a duly Constituted Court in British India. Provided that in any case where the Directors in their absolute discretion think fit, they may dispense with production of Probate or Letters of Administration

under the next article, and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased shareholder as a shareholder. In case of the death of any one or more of the joint registered holders of any registered shares, the survivors shall be the only persons recognized by the Company, as having any title to or interest in such shares, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.

42. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member, 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”.

As to transfer of shares of deceased or bankrupt members (Transmission clause).

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

Directors' right to refuse registration

43A. A holder or joint holders of shares or debentures may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 or any statutory modification or reenactment thereof and in the manner prescribed there under or any modification thereof, a person to whom all the rights in the shares or debentures of the Company shall vest in the event of death of such holder/s. Any nomination so made shall be dealt with by the Company in accordance with and in the manner prescribed by and/or under the provisions of Section 109B of the Companies Act, 1956 or any statutory modification or reenactment thereof for the time being in force.

Nomination

44. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made or purporting to be made, by an apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having claiming 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 attend or give effect to any notice which may be given to them 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.

The company not liable for disregard of a Notice prohibiting registration of a Transfer

VI. SHARE WARRANTS

Power to issue
share warrants

45. The Company, with respect to fully paid-up shares, may issue warrants (hereinafter called "share warrants"), stating that the bearer is entitled to the shares therein specified, and may provide by coupons or otherwise for the payment of future dividends on the shares included in such warrants. The directors may determine, and from time to time vary, the conditions upon which share warrants shall be issued, and in particular, the conditions upon which a new share warrant or coupon will be issued in the place of one worn out, defaced, lost, or destroyed or upon which the bearer of a share warrant shall be entitled to attend and vote at general meetings, or upon which a share warrant may be surrendered, and the name of the bearer entered in the register in respect of the shares therein specified. The bearer of a share warrant shall be subject to the conditions for the time being in force, whether made before or after the issue of such warrant. Share warrants shall not be taken into account as constituting or contributing to the qualification of a director.

VII. CONVERSION OF SHARES INTO STOCK, ETC.

Conversion of
shares into
stock and re-
conversion

46. The directors, with the sanction of a resolution of the Company, in general meeting, may convert any paid-up shares into stock, and may convert any stock into paid-up shares of any denomination. When any shares have been converted into stock, the several holders of such stock, may, henceforth transfer their respective interests therein, or any part of such interests, in the same manner and subject to the same regulations as and subject to which fully paid-up shares in the Company's capital may be transferred, or as near thereto as circumstances will admit. But the Directors may from time to time, if they think fit, fix the minimum amount of stock transferable, and direct that fractions of a Rupee shall not be dealt with, but with power nevertheless at their discretion to waive such rules in any particular case.

Transfer of
stock and rights
of holders

Right of stock-
holders

47. The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company, and for other purpose, as would have been conferred by shares of equal amount in the capital of the Company, of the same class as the shares from which such stock was converted, but so that none of such privileges or advantages, except the participation in profits of the Company, or in the assets of the Company, on a winding up, shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preference or other special privilege attached to the shares so converted. Save as aforesaid, all the provisions herein contained shall, so far as circumstances will admit apply to stock as well as to shares.

VIII. INCREASE, REDUCTION AND ALTERATION OF CAPITAL

48. The Company, in general meeting may, from time to time, increase the capital by the creation of new shares of such amount as may be deemed expedient. Power to increase capital
- 48A. Subject to the provisions of the Act and these Articles the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board of 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 at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and proper, and with full power, subject to the sanction of the Company in General Meeting, to give to any person the option to call for or be allotted shares of any class of the Company either at par or at a premium or subject as aforesaid at a discount, such option being exercisable at such times and for such consideration as the Board of Directors think fit. Shares shall be under the control of the Board
- 48B. Subject to the provisions of Section 80 of the Act any Preference Shares may with the sanction of an ordinary resolution be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and in such manner as the Company before the issue of the share may determine. Redeemable preference shares
49. The new shares may be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the general meeting resolving upon the creation thereof, shall direct, and if no direction be given as the directors shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a special or without any right of voting. On what conditions new shares may be issued

As to preferences etc.
50. The Company, in general meeting may, before the issue of any new shares, determine that the same, or any of them shall be offered in the first instance, and either at par or at premium, to all the then holders of any class of shares, in proportion to the amount of the Capital held by them, or make any other provisions as to the issue and allotment of the new shares; but in default of any such determination or so far as the same shall not extend, the new shares may be dealt with as if they formed part of the shares in the original capital. When to be offered to existing members
51. Except so far as otherwise provided by the conditions of issue, or by these presents, any capital raised by the creation of new shares shall be considered part of the original capital, and shall be subject to the provisions herein contained with reference to the payment of calls, and installments, transfer and transmission, forfeiture, lien, surrender and otherwise. How far new shares to rank with shares in original capital
Reduction of capital, etc.
52. The company, may, from time to time, by special resolution, reduce its capital by paying off capital or canceling capital which has been lost or is unrepresented by available assets, or reducing the liability on the shares, or otherwise, as may seem Sub-division and consolidation of shares

expedient, and capital may be paid off upon the footing that it may be called up again or otherwise, and the company may, also by special resolution, sub-divide or by ordinary resolution, consolidate its shares or any of them, or cancel shares which have not been taken up or agreed to be taken up by any person, and the directors may, subject to the provisions of the Companies Act, accept surrenders of shares.

Sub-division
into preferred
and ordinary

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

IX. MODIFICATION OF RIGHTS

Power to
modify rights

54. Whenever the share capital, by reason of the issue of preference shares or otherwise is divided into different classes of shares, all or any of the rights and privileges attached to each class may subject to the provisions of sections 106 and 107 of the Act be varied, modified or dealt with, the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the issued shares of that class, and all the provisions contained in these Articles and the Act as to General Meetings (including the provisions relating to quorum at such meetings) shall mutates mutandis apply to every such meeting.

X. BORROWING POWERS

Power to
borrow

55. The directors may, from time to time, at their discretion, borrow, or secure the payment of, any sum or sums of money for the purpose of the Company.

Condition on
which money
may be
borrowed

56. The directors may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, charge or other security on the undertaking or the whole or any part of the property of the company (both present and future), including its uncalled capital for the time being.

Securities may
be assignable
free from
equities

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

Any debentures, debenture stock, bonds, or other securities may be issued at a discount, premium or otherwise, and with any special privileges as the redemption, surrender, drawings, allotment of shares, attending and voting at a general meetings of the Company, appointment of directors, and otherwise.

Provided that debentures with the right to allotment of or conversion into shares shall not be issued without the consent of the Company in General Meeting.

58. The Directors shall cause a proper register to be kept, in accordance with sec. 123 of the Company's Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of section 109 to 112 and 114 to 117 of the Company's Act, in regard to the registration of mortgages and charges therein specified and otherwise.

Register of mortgages to be kept

59. The sum of one rupee shall be the sum payable for each inspection of the Register of Mortgages and Charges under sect. 124 of the Companies Act.

60. If any uncalled capital of the company, is included in or charged by any mortgage or other security the directors may, by instruments under the Company's seal, authorize the person in whose favour such mortgage or security is executed, or any other person in trust for him, to make calls on the members in respect of such uncalled capital, and the provisions hereinbefore contained in regard to calls shall, mutates 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' power or otherwise, and shall be assignable if expressed so to be.

Mortgage of uncalled capital

61. 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, charge or security over or affecting the whole or any part of the assets of the Company, by way of indemnity to secure the directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Indemnity may be given

XI. GENERAL MEETINGS

62. The Statutory meeting of the Company shall, as required by Section 77 of the Companies Act, be held within a period of six months from the date at which the Company shall be entitled to commence business, and at such place as the directors may determine, and the Directors shall comply with the other requirements of the section as to the report to be submitted and otherwise.

The statutory meeting

63. Other general meetings shall be held once at least in every calendar year at such time, not being more than fifteen months after the holding of the last preceding general meeting, and at such place as may be determined by the directors. Such general meetings shall be called "ordinary meetings" and all other meetings of the Company, shall be called "extra-ordinary meetings".

Ordinary general meetings to be held.

Extra-ordinary meetings

64. The directors may, whenever they think fit, convene an extra-ordinary meeting and they shall on the requisition of the holders of not less than one tenth of the issued capital of the company upon which all calls or other sums then due have been paid, forthwith proceed to convene an extra-ordinary meeting of the Company, and in the case of such requisition the following provisions shall have effect:

When extra-ordinary meeting to be called.

Requisition

- (1) The requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Office and may consist of several documents in like form each signed by one or more of the requisitionists.
- (2) If the directors do not proceed to cause a meeting to be held within twenty-one days from the date of the requisition being so deposited, the requisitionists or a majority of them in value may themselves convene the meeting, but any meeting so convened shall not be held after three months from the date of such deposit.
- (3) If at any such meeting a resolution requiring confirmation at another meeting is passed, the directors shall forthwith convene a further extraordinary meeting for the purpose of considering the resolution, and if thought fit, of confirming it as a special resolution; and if the directors do not convene the meeting within seven days from the date of the passing of the first resolution, the requisitionists or a majority of them in value may themselves convene the meeting.
- (4) Any meeting convened under this clause by the requisitionists shall be convened in the same manner as nearly as possible as that in which meetings are to be convened by directors.
- (5) A requisition by joint holders of shares must be signed by all such holders.

Notice of meetings one notice

65. Seven days' notice to the members specifying the place, day and hour of meeting, and in case of special business, the general nature of such business, shall be given either by advertisement or by notice sent by post or otherwise served as hereinafter provided.

Two meetings convened by one notice.

66. Where it is proposed to pass a special resolution, the two meetings may be convened by one and the same notice, and it is to be no objection to such notice that it only convenes the second meeting contingently on the resolution being passed by the requisite majority at the first meeting.

As to omission to give notice.

67. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate any resolution passed at any such meeting.

XII. PROCEEDINGS AT GENERAL MEETINGS

Business of ordinary meeting

68. The business of an ordinary meeting except in 1931, shall be to receive and consider the profit and loss account, the balance sheet and the reports of the directors and of the auditors, to elect directors in the place of those retiring by rotation, and auditors, to declare dividends, and to transact any other business which, under these presents, ought to be transacted at an ordinary meeting. All

other business transacted at an ordinary meeting, and all business transacted at an extra-ordinary meeting, shall be deemed special.

69. Three members personally present shall be a quorum for a general meeting and no business shall be transacted at any general meeting unless the quorum requisite be present at the commencement of the business.

Quorum to be present when business commenced

70 A. The chairman (if any) or in his absence the Vice-Chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at every General Meeting whether Annual or Extraordinary, but if there is no such Chairman or Vice-chairman or in case of his or their absence or refusal, one of the Directors (if any be present) shall be chosen to be the Chairman of the meeting.

Chairman

70B. If at any meeting a quorum of members shall be present and the chair shall not be taken by the Chairman of the Board or by the Vice-Chairman of the Board or by a Director at the expiration of 15 minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their number to be Chairman of the meeting.

Member may be elected chairman

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

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

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

How questions to be decided at meetings. Casting vote.

73. At any general meeting, unless a poll is demanded by the Chairman or by any member or members present in person or by proxy and holding shares in the Company 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 on which an aggregate sum of not less than fifty thousand rupees has been paid up, a declaration by the Chairman that a resolution has been carried, or carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book of proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

What is to be evidence of the passing of a resolution where poll not demanded

74. If a poll is demanded as aforesaid, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs and either at once, or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn. In case of any dispute as to the

Poll

admission or rejection of a vote, the chairman shall determine the same, and such determination made in good faith shall be final and conclusive.

Power to
adjourn general
meeting

75. 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.

Business may
proceed not-
withstanding
demand of poll.

In what cases
poll taken with-
out
adjournment

76. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question of which a poll has been demanded. No poll shall be demanded on the election of a chairman of a meeting and a poll demanded on a question of adjournment shall be taken at the meeting without adjournment.

77. A copy of every special and extra-ordinary resolution shall be sent to the Registrar of Companies as required by section 82 of the Companies Act.

XIII. VOTES OF MEMBERS

Votes of
members

78. On a show of hands every member present in person shall have one vote and upon a poll every member present in person or by proxy shall have one vote for every share held by him.

Chairman's
decision
conclusive

79. The decision of the chairman of any meeting as to the validity of a vote shall, in the absence of fraud, be conclusive.

No voting by
proxy on show
of hands

80. No member not personally present shall be entitled to vote on a show of hands, unless such member is a corporation present by a proxy or a company, present by a representative duly authorized under section 80 of the Companies Act, in which case such proxy or representative may vote on the show of hands as if he were a member of the Company.

Votes in respect
of shares of
deceased and
bankrupt
members

81. Any person entitled under the transmission clause (viz. clause 42) 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 of his right to transfer such shares unless the directors shall have previously admitted his right to vote at such meeting in respect thereof.

Joint holders

82. Where there are joint registered holders of any share, any one 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 on the register in respect of such shares alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose sole name any shares stand shall for the purposes of this clause be deemed joint holders thereof.

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

Proxies permitted

The instrument appointing a proxy shall be in writing, under the hand of the appointer or of his attorney duly authorized in writing or if such appointer is a corporation, under its common seal or the hand of its attorney. No person shall be appointed a proxy who is not a member of the Company, may appoint as its proxy any officer of such corporation whether a member of the Company, or not. Holders of share warrants shall not be entitled to vote by proxy in respect of the shares included in such warrants unless otherwise expressed in such warrant.

Instrument appointing proxy to be in writing

84. The instrument appointing a proxy and the power of attorney (if any) under which it is signed, or an office copy or notarially certified copy thereof, shall be deposited at the office not less than forty-eight hours before the person named in such instrument purports to vote in respect thereof.

And to be deposited at office

85. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation, or transfer shall have been received at the office or by the chairman of the meeting before the vote is given.

When vote by proxy valid, though authority revoked

86. Every instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances will admit, be in the form or to the effect following:

Form of proxy

The Bajaj Hindusthan Limited,
I _____ of _____ being
a member of the Bajaj Hindusthan Limited, hereby appoint
_____ of _____ (or failing him, _____ of
or failing him _____ of _____) as my proxy,
to vote for me and on my behalf at the ordinary or extra-ordinary,
(as the case may be) general meeting of the Company, to be held
on the _____ day of _____ and at any adjournment
thereof.

As witness my hand this _____ day of

signed by the said _____ in the presence of

87. No member shall be entitled to be present, or to vote on any question, either personally or by proxy, or a proxy for another member, at any general meeting, or upon a poll, or be reckoned in a quorum, whilst any call or other sum shall be due and payable to the company, in respect of any of the shares of such member.

No member entitled to vote etc. While call due to company

Resolution in writing of directors, in certain cases, to be equivalent to resolution of general meeting

88. The resolution passed by the directors notice whereof shall be given to the members in the manner in which notices are hereinafter directed to be given, and which shall, within one month after it shall have been so passed, be ratified and confirmed in writing by members entitled at a poll to three-fifths of the votes, shall be as valid and effectual as a resolution of a general meeting but this clause shall not apply to a resolution for winding up of the Company, or to a resolution passed in respect of any matter which by the statute or these presents ought to be dealt with by special or extraordinary resolution.

XIV. DIRECTORS

Number of Directors

89. Until otherwise determined by a general meeting the number of the directors shall not be less than three or more than fifteen.

First Directors

90. The first directors shall be:

SETH JAMNALAL BAJAJ
SETH RAMESHWARDAS BIRLA (Ex officio)
SETH RAMNIWAS RAMNARAIN
SETH PURSHOTTAMDAS JIVANDAS (Ex officio)

Debenture Director

91. If and when Debentures of the Company shall be issued, the Directors may agree that the holders thereof shall have the right to appoint and from time to time to remove and reappoint a Director, in accordance with the provisions of the Trust Deed securing the said Debentures. The Director appointed under this article is herein referred to as the "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this article. A Debenture Director shall not be required to retire by rotation nor shall it be necessary for him to hold any qualification shares.

Appointment of non-rotational directors

92. So long as any money are due by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFC), The Industrial Credit and Investment Corporation of India Ltd. (ICICI), State Bank of India (SBI) or any other financial institution in respect of any loan or loans advanced and/or to be advanced by them, the said IDBI, IFC, ICICI, SBI and such other financial institution shall be entitled to appoint one director each on the Board of the Company and to remove and replace such director. Such director shall not be liable to retire by rotation and the Company shall pay to such Director normal fees and expenses to which any other director is entitled; such director as well as each of the said institutions shall be entitled to receive all notices of board meetings and committee meetings and minutes of such meetings.

Provided, that if such Director is an officer of the Reserve Bank of India (RBI) or IDBI no sitting fees shall be payable to him but the Company shall reimburse the Reserve Bank of India or IDBI as the case may be, such amounts as may be paid by RBI or IDBI to such Director on account of traveling and halting allowances and other expenses under their respective rules for

attending any of the meeting of the Board or Committee of Board or in connection with any other work of the Company.

93. A Director who is out of India or about to go out of India may, with the approval of the Directors, by notice in writing under his hand, appoint any duly qualified person to be an Alternate Director during his absence abroad and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled, to Notice of meetings of the Directors and to attend and vote thereat accordingly, but he shall ipso facto, vacate office if and when the appointer returns to India, or vacates office as Director, or removes the appointee from office by Notice in writing under his hand.

Appointment of alternate director.

94. The Directors shall have power at any time and from time to time, to appoint any other qualified person as a director, either to fill casual vacancy or as an addition to the Board, but so that the total number of directors shall not at any time exceed the maximum number fixed. But any director so appointed shall hold office only until the next following ordinary general meeting of the company and shall then be eligible for re-election.

Power for directors to appoint additional director

95. Article 95 regarding qualification of directors in form of holding of shares in the Company, of the nominal value of one thousand deleted vide Special Resolution passed at the 72nd Annual General Meeting held on 25th March, 2004.

Qualification of Director

96. The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by him shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to section 310 of the Act.

Remuneration of directors

97. If any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by Director as a member of any Committee formed by the Directors) or to make any special exertions in going or residing abroad, or otherwise for any of the purposes of the company, the Directors may remunerate the Director so doing either by a fixed sum, or by a percentage of profits, or otherwise, as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

Remuneration for extra service

98. The 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 Directors may consider fair compensation for his traveling expenses, in addition to his fee for attending such a meeting as above specified and the Directors may from time to time fix the remuneration to be paid to any member of members of their body constituting a Committee appointed by the Directors in terms of these Articles and may pay the same.

Director not bonafide resident of Bombay may receive extra compensation

Directors may
act
notwithstanding
vacancy

99. The continuing directors may act notwithstanding any vacancy in their body; but so that if the number falls below the minimum above fixed the directors shall not, except in emergencies or for the purpose of filling up vacancies, act so long as the number is below the minimum.

When office of
director to be
vacated

100. The office of a director shall ipso facto be vacated: -

- (a) If he files a petition in insolvency or becomes bankrupt or suspends payment or compounds with his creditors.
- (b) If he be found lunatic or become of unsound mind.
- (c) If he ceases to hold the number of shares (if any) required to qualify him for office or fails to acquire the same within two months after his election or appointment.
- (d) If he..... absents himself from the meetings of the directors for a continuous period of six months without special leave of absence from the directors and the board resolves that his office be vacated.
- (e) If by notice in writing to the Company, he resigns his office.

Directors may
contract with
company

101. No director shall be disqualified by his office from holding any office or place of profit under the Company, or under any Company, in which this Company shall be shareholder or otherwise interested, or from contracting with the Company, either as vendor, purchaser or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any director shall be in any way interested, be avoided, nor shall any director be liable to account to the company for any profit arising from any such office or place of profit or realized by any such contract or arrangement by reason only of such director holding that office or of the fiduciary relations thereby established, but except as to the agreement mentioned in clause 3 of these articles it is declared that the nature of his interest must be disclosed by him at the meeting of the directors at which the contract or arrangement is determined on, if his interest there exists, or in any other case at the first meeting of the directors after the acquisition of his interest. No director shall as a director vote in respect of any contract or arrangement in which he is so interested as aforesaid; and if he do so vote his vote shall not be counted. But this prohibition shall not apply to any contract by or on behalf of the company to give to the directors or any of them any security for advances or by way of indemnity or to the agreement referred to in clause 3 of these articles, or to any modifications of such agreements, or any agreements substituted therefore, or any matters arising there out. A general notice that a director is a member of any specified firm or company and is to be regarded as interested in all transactions with that firm or Company shall be a sufficient disclosure under this clause as regards such director and the said transactions and after such general notice it shall not be necessary for such director to give a special notice relating to any particular transaction with that firm or Company.

102. A Director of this Company may be, a Director of any Company promoted by this 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 member of such company.

XV. ROTATION OF DIRECTORS

103. At the ordinary general meeting to be held in the year 1932 and at every succeeding ordinary general meeting one of the directors, shall retire from office and be eligible for re-election.

Rotation and retirement of director

104. The Directors to retire as aforesaid at the ordinary meeting to be held in the year 1932 shall, unless the directors agree among themselves, be determined by lot; but in every subsequent year the director to retire shall be he who has been longest in office. As between two or more who have been in office an equal length of time the director to retire shall in default of agreement between them be determined by lot. The length of time a director has been in office shall be computed from his last election or appointment where he has previously vacated office. A retiring director shall be eligible for re-election and shall act as a director throughout the meeting at which he retires.

Which director to retire

105. The company in general meeting may, subject to the provisions of these articles, from time to time appoint new directors and may increase or reduce the number of directors in office and may alter their qualifications.

Power for general meeting to increase or reduce number of directors

106. The company at any general meeting at which any directors retire in manner aforesaid may fill up the vacated offices by electing a like number of persons to be directors.

Meeting to fill up vacancies

107. If, at any general meeting at which an election of directors ought to take place, the place of any director retiring by rotation is not filled up, he shall, if willing continue in office until the ordinary meeting in the next year and so on from year to year until his place is filled up, unless it shall be determined at such meeting (on due notice) to reduce the number of directors in office.

Retiring director to remain in office till successors appointed

108. Subject to the provisions of any agreement for the time being subsisting the company may by extraordinary resolution remove any director before the expiration of his period of office and may (subject to the provisions of Article 93) by ordinary resolution appoint another qualified person in his stead; the person so appointed shall hold office during such time only as the director in whose place he is appointed would have held the same if he had not been removed.

Power to remove director by extra ordinary resolution

109. (1) Subject to the provisions of the Companies Act, 1956 and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him has at least fourteen clear days before the meeting left at

Notice of candidature for office of Director

the office of the company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of Five Hundred Rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds, in getting elected as a Director. The company shall duly comply with the provisions of Section 257 of the Companies Act, 1956 for informing its members of the candidature of the Director concerned.

(2) Every person (other than a Director retiring by rotation or otherwise or a person who has left the office of the company, a notice under Section 257 of the Companies Act, 1956 signifying his candidature for the office of a director) proposed as a candidate for the office of a Director shall sign and file with the company, his consent in writing to act as a director, if appointed.

(3) A person other than –

(a) a director reappointed after retirement by rotation or immediately on the expiry of his term of office,

or

(b) an additional or alternate director, or a person filling a casual vacancy in the office of a director under a Section 262 of the companies Act, 1956, appointed as a director or re-appointed as an additional or alternate director, immediately on the expiry of his term of office,

shall not act as a director of the company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such director.

Register of directors and notification of changes to registrar

110. The company is to keep at its office a register containing the names and addresses and occupations of its directors and it to send to the Registrar of Companies a copy of such register and shall from time to time notify to the Registrar their names and nationalities and any change that takes place in such directors, as required by Sect. 87 of the Companies Act.

XVI. PROCEEDINGS OF DIRECTORS

Meetings of Directors and quorum

111. The directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings and proceedings, as they think fit and may determine the quorum necessary for the transaction of business. Until otherwise determined two directors shall be a quorum.

112. A director may at any time and the secretary, upon the request of a director, shall convene a meeting of the directors. Notices
113. Questions arising at any meetings 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. Decision of questions
- 114A. The Directors may elect a chairman of their meetings and determine the period for which he is to hold office. Chairman and Vice-Chairman
- The Directors may appoint a vice-chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman shall not be present and determine the period for which he is to hold office.
- 114B. All meetings of the Directors shall be presided over by the chairman, if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same, the vice-chairman if present shall preside and if vice-chairman be also not present at such time then and in that case the Directors shall choose one of the Directors then present to preside at the meeting. Who to preside at the meetings of the Board
115. A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company, for the time being vested in or exercisable by the directors generally. Powers of quorum
116. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit and may from time to time revoke such delegation. Any committee so formed, shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the directors. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors, so far as the same are applicable thereto and are not superseded by any regulations made by the directors under this clause. Power to appoint committees and to delegate
117. All acts done at any meeting of the directors, or of a committee of directors, or by any person acting as a director, shall, notwithstanding, that it shall afterwards be discovered that there was some defect in the appointment of such directors or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person has been duly appointed and was qualified to be a director. When acts of directors or committee valid notwithstanding defective appointment etc.
118. A resolution in writing, signed by all the directors for the time being in Bombay shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted. Resolution without board meeting valid

XVII. MINUTES

Minutes to be made

119. The directors shall cause minutes to be duly entered in books provided for the purpose: -

- (a) Of all appointments of officers.
- (b) Of the names of the directors present at each meeting of the directors and of any committee of directors.
- (c) Of all orders made by the directors and committees of directors.
- (d) Of all resolutions and proceedings of general meetings and of meetings of the directors and committees.

And any such minutes of any meeting of the directors, or of any committee, 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 receivable as prima facie evidence of the matters stated in such minutes.

XVIII. POWERS OF DIRECTORS

General powers of company vested in directors

120. The management of the business of the company, shall be vested in the directors and the directors may exercise all such powers and do all such acts and things as the company is, by its Memorandum of Association or otherwise, authorized to exercise and do and are not hereby or by statute directed or required to be exercised or done by the company, in general meeting but subject nevertheless to the provisions of the companies Act, and of these presents and to any regulations not being inconsistent with these presents from time to time made by the company, in general meeting; provided that no such regulation shall invalidate any prior act of the directors which would have been valid if such regulation had not been made.

Specific powers given to the directors

121. Without prejudice to the general powers conferred by the last preceding clause and the other powers conferred by these presents, it is hereby expressly declared that the directors shall have the following powers, that is to say, power: -

To pay preliminary expenses

- (1) To pay the costs, charges and expenses, preliminary and incidental to the promotion, formation, establishment and registration of the company.

To acquire property

- (2) To purchase or otherwise acquire for the company, any property, rights or privileges which the company, is authorized to acquire, at such price and generally on such terms and conditions, as they think fit.

To pay for property in debentures, etc.

- (3) At their discretion, to pay for any property, rights or privileges acquired by, or services rendered to the

company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the company and 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 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.

- | | | |
|------|---|----------------------------------|
| (4) | To secure to fulfillment of any contracts or agreements entered into by the company, by mortgage or charge of all or any of the property of the company and its uncalled capital for the time being or in such other manner as they may think fit. | To secure contracts by mortgage |
| (5) | To appoint and at their discretion remove or suspend, such managers, secretaries, officers, clerks, agents and servants, for permanent, temporary, or special services, as they may from time to time think fit and to determine their powers and duties and fix their salaries or emolument and to require security in such instances and to such amount as they think fit. | To appoint officers etc. |
| (6) | To accept from any member, on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof. | To accept surrender of shares |
| (7) | To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the company, any property belonging to the company, or in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees. | To appoint trustees |
| (8) | To institute, conduct, defend, compound or abandon, any legal proceedings by or against the company, or its officers, or otherwise concerning the affairs of the company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claims or demands by or against the company. | To bring and defend actions etc. |
| (9) | To refer any claims or demands by or against the company, to arbitration, and observe and perform the awards. | To refer to arbitration |
| (10) | To make and give receipts, releases and other discharges for money payable to the company and for the claims and demands of the company. | To give receipts |
| (11) | To determine who shall be entitled to sign on the company's behalf bills, notes, receipts, acceptances, | To authorize acceptance etc. |

endorsements, cheques, releases, contracts and documents.

To appoint attorneys

- (12) From time to time to provide for the management of the affairs of the company, abroad in such manner as they think fit and in particular to appoint any persons to be the attorneys or agents of the company with such powers (including power to sub-delegate) and upon such terms as may be thought fit.

To invest moneys

- (13) To invest and deal with any of the moneys of the company, not immediately required for the purposes thereof, upon such securities (not being shares in this company) and in such manner as they may think fit and from time to time to vary or realize such investments.

To give security by way of indemnity

- (14) To execute in the name and on behalf of the company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the company such mortgages of the company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.

To give percentages

- (15) To give to any person employed by the company a commission on the profits of any particular business or transaction, or a share in the general profits of the company and such commission, or share of profits, shall be treated as part of the working expenses of the company.

To give bonus pension etc.

- (16) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the company, or his widow, children or dependents that may appear to the Directors just or proper, whether such employee, his widow, children, or dependents have or have not a legal claim upon the company.

To form a fund for pension

- (17) Before declaring only dividend, to set aside such portion of the profits of the company as they may think fit, to form a fund to provide for such pensions, gratuities or compensation, or to create any provident or Benefit fund in such manner as may seem fit to the Directors.

To establish Reserve Fund

- (18) Before recommending any dividend, to set aside out of the profits of the company, such sums as they think proper, for depreciation or to a Depreciation fund, Reserve Fund or Sinking Fund, or any Special Fund, to meet contingencies, or to repay debentures or debenture stock or for equalizing dividends, or for special dividends, or for repairing, improving extending and maintaining any of the property of the company and for such other purposes as the

Directors shall, in their absolute discretion, think conducive to the interests of the company and to invest the several sums so set aside upon such investments, other than shares of the company, as they may think fit and from time to time to deal with and vary such investments and dispose of all or any part thereof for the benefit of the company and to divide the Reserve Fund into such special funds as they 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 bound to keep the same separate from the other assets.

(19) From time to time to make, vary and repeal byelaws for the regulation of the business of the company its officers and servants. May make bye laws

(20) 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. May make contracts etc.

121A. The company shall endeavour to promote the objectives of social and economic development consistent with the needs of efficiency and productivity harmonizing the interest of the consumers, shareholders, employees and management; it shall also try to ameliorate the hardships and promote the welfare of the community, specially in areas where it is carrying on its activities. Social Responsibilities of the company

XIX. LOCAL MANAGEMENT

122. Without prejudice to the appointment of agents and to the position rights and powers of such agents by virtue of clauses to hereof and by virtue of any agreement entered into between them and the company, the directors may from time to time provide the management and transaction of the affairs of the company in any specified locality in India or elsewhere in any part of the world, in such manner as they think fit and the provisions contained in the four next following articles shall be without prejudice to the general powers conferred by this paragraph. Local management

123. The directors from time to time and at any time, may establish any local boards or agencies for managing any of the affairs of the company in any such special locality and may appoint any persons to be members of such local board, or any managers or agents and may fix their remuneration. And the directors from time to time and at any time, may delegate to any person so appointed any of the powers authorities and discretions for the time being vested in the directors, other than the power of Local Board
Delegation

making calls and may authorize 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 conditions as the directors may think fit and the directors may at any time remove any person so appointed and may annual or vary any such delegation.

Powers of
Attorney

124. The Directors may at any time and from time to time, by power of attorney under the company's seal appoint any person or persons to be attorney or attorneys of the company for such purposes and with such powers, authorities and discretions, (not exceeding those vested in or exercisable by the directors under these presents) and for such period and subject to such conditions as the directors may from time to time think fit and any appointment may (if the directors think fit) be made in favour of the members or any of the members or any local board established as aforesaid, or in favour of any company or of the members, directors, nominees, or managers of any company or firm, or in favour of any fluctuating body of persons, whether nominated directly or indirectly by the directors; and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney or attorneys as the directors may think fit.

Sub-delegation

125. Any such delegates or attorneys as aforesaid may be authorized by the directors to sub delegate all or any of the powers, authorities and discretions for the time being vested in them.

Local laws

126. The company may exercise the powers conferred by sect. 91 of the companies act, and such powers shall accordingly be vested in the directors. And the company may cause to be kept in the United Kingdom a branch register of members in accordance with the provision of section 41 of the said act, and the directors may from time to time make such provisions as they (subject to section 42 of the companies act) may think fit respecting the keeping of any such branch register, and may comply with the requirements of any local law.

XX. THE SEAL

Custody of seal

127. The directors shall provide for the safe custody of the seal and the seal shall never be used except by the authority of the directors, or a committee of the directors, previously given and in the presence of one director at the least, who shall sign every instrument to which the seal is affixed and every such instrument shall be countersigned by the secretary or some other person appointed by the directors.

XXI. MANAGEMENT OF BUSINESS

Appointment of
Agents

*128. Messrs Bachhraj & Co. Private Limited shall be the Managing agent of the company upon the terms, provisions and conditions set out in the draft agreement between the company and

the said Bachhraj & Co. Private Ltd., which has been approved by the central Government and the company in General Meeting.

129. Subject to the provisions of the companies act, 1956, the general management of the business of the company subject to the control and supervision of the Directors, shall be in the hands of the agents of the company, who shall have power and authority on behalf of the company, subject to such control and supervision, to enter into all contracts and to do all other things usual, necessary or desirable in the management of the affairs of the company or in carrying out its objects; and shall have power to appoint and employ, in or for the purposes of the transaction and management of the affairs and business of company, or otherwise for the purposes thereof and from time to time to remove or suspend such managers, experts, engineers, agents, clerks, brokers and other employees as they shall think proper with such power and duties and upon such terms as to duration of office, remuneration or otherwise, as they shall think fit and generally to appoint and employ any persons in the service or for purpose of the company as they shall think fit, upon such terms and conditions as they shall think proper.

General
management
in hands of
Agents

130. Receipts signed by the Agents for any monies, or goods or property received in the usual course of business of the company, or for any moneys, goods, or property lent to, or payable, or belonging to the company, shall be effectual discharges on behalf of and against the company for the moneys funds or property which in such receipts shall be acknowledged to be received and the person paying any such money shall not be bound to see to the application or be answerable for any misapplication thereof.

Receipts and
cheques

131. The agents shall be authorized to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them; and in particular from time to time to provide by the appointment of an attorney or attorneys for the management and transaction of the affairs of the company in any specified locality, in such manner as they may think fit.

Agents to
have power to
sub-delegate

131A. Subject to the provisions of the Act the Directors may from time to time appoint any one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director or a Deputy Managing Director) or Executive Director or whole time Director of the company for such period and on such terms as may be thought fit to manage the business and affairs of the company and may from time to time (subject to the provisions of any contract between him or them and the company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

Appointment
of managing
director

131B. Subject to the provisions of the Act, a Managing Director or an Executive Director or a whole time Director shall not, while he continues to hold that office be subject to retirement by rotation but he shall, subject to the provisions of any contract between him and the company, be subject to the same provisions as to resignation or removal of the other Directors of the company. He shall ipso facto and immediately cease to be Managing Director or Executive Director or whole time Director as the case may be, if

Managing
Director not
liable to retire
by rotation

he ceases to hold the office of a director for any cause; provided that if at any time the number of Directors (including the managing director or the Executive Director or the whole time Director) as are not subject to retirement by rotation shall exceed one third of the total number of the Directors for the time being, then such Managing Director or Managing Directors or Executive Director or Executive Directors or Whole time Director or Whole time Directors as the Board of Directors shall from time to time select shall be liable to retirement by rotation to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of directors for the time being. A Managing Director or an Executive Director or a Whole time Director who is reappointed as a Director immediately on retirement by rotation shall continue to hold the office of Managing Director or Executive Director or Whole time Director and such appointment as such Director shall not be deemed to constitute a break in his appointment as a Managing Director or an Executive Director or a Whole time Director.

Remuneration
of Managing
Director

131C. The remuneration of a Managing Director or an Executive Director or a Whole time Director shall, subject to the provisions of any contract between him and the company, be from time to time be fixed by the Board of Directors, subject to approval of share holders in a general meeting and subject to the provisions of the Act, may be by way of fixed salary or commission on profits of the company or by any or all these modes and may be in addition to the remuneration for attendance at the Board Meetings or any other remuneration which may be provided under any other Article or Articles.

Powers
exercisable by
Managing
Director

131D. The Directors may, from time to time, subject to the provisions of the Act, entrust to and confer upon the Managing Director or Directors or the Executive Director or Directors or Whole time Director or Directors for the time being such of the powers exercisable, under these presents or by law, 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, or 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.

XXII. ANNUAL RETURNS

Annual returns

132. The company shall make the requisite annual return in accordance with Section 32 of the Companies Act.

XXIII. DIVIDENDS

133. Subject to the rights of persons, if any, entitled to shares, with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof, the dividend is paid. All dividends shall

be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

134. Provided that where capital is paid up on any shares in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

No dividend on capital paid up in advance and carrying interest

135. The company in general meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may fix the time for payment. No larger dividend shall be declared than is recommended by the Directors, but the company in general meeting may declare a smaller dividend.

Declaration of dividends,

Restriction on amount of dividend

136. No dividend shall be payable except out of the profits of the company and no dividend shall carry interest as against the company.

Dividend out of profits only and not carry interest

137. The declaration of the directors as to the amount of the net profits of the company shall be conclusive.

What to be deemed net profits

138. The Directors may from time to time pay to the members such interim dividends as in their judgement the position of the company justifies.

Interim dividends

139. The Directors may retain any dividend on which the company has lien and may apply the same in or towards satisfaction of the debts liabilities or engagements in respect of which the lien exists.

Debts may be deducted

140. Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the company and the member, be set off against the call. The making of a call under this clause shall be deemed ordinary business of an ordinary general meeting, which declares a dividend.

Dividend and call together

141. Any general meeting declaring a dividend may resolve that such dividend be paid wholly or in part by the distribution of specific assets and in particular of paid up shares, debentures, or debenture stock of the company, or paid-up shares, debentures, or debenture stock of any other company, or in any one or more of such ways.

Dividend in specie

142. 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 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 capitalized and distributed amongst such of the shareholders as would be entitled to receive

Capitalization of reserves

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 capitalized fund be applied on behalf of such shareholders in paying up in full any unissued shares of the company, which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum.

Fractional certificates

143. For the purpose of giving effect to any resolution under the two last preceding articles 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 members upon the footing of the value so fixed or that fractions of less value than One Rupee may be disregarded in order to adjust the rights of all parties and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalized fund as may seem expedient to the directors. Where requisite, a proper contract shall be filed in accordance with Section 104 of the Companies Act, and the directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund and such appointment shall be effective.

Effect of transfer

144. (1) A transfer of shares shall not pass the right to any dividend declared thereon after such transfer and before the Registration of the transfer.
- (2) Where any instrument of transfer of shares has been delivered to the company for registration and the transfer of such shares has not been registered by the company, it shall transfer the dividend in relation to such shares to the special account referred to in Section 205A of the Act unless the company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer and keep in abeyance in relation to such shares any offer of right shares under clause (a) of sub-section (1) of Section 81 of the Act and any issue of fully paid-up bonus shares in pursuance of sub-section (3) of Section 205 of the Act.

Interest on capital raised for construction etc.

145. The directors may pay interest on capital raised for the construction or works or buildings, when and so far as they shall be authorized so to do by Section 107 of the Companies Act.

Retention in certain cases

146. The Directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause (clause 42) entitled to become a member, or which any person under that clause is entitled to transfer, until such person shall become a member in respect of such shares or shall duly transfer the same.

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

Dividend to
joint holders

148. Unless otherwise directed any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled, or in the case of joint holders, to the registered address of that one whose name stands first on the register in respect of the joint holding and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

Payment by
post

149. Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the holders of registered shares and registered stock in manner hereinafter provided.

Notice of
dividend

150. No unclaimed dividend shall be forfeited by the Board and dividend remaining unclaimed shall be dealt with in accordance with the relevant provisions under the Act for the time being in force.

Unclaimed
dividends

XXIV. ACCOUNTS

151. The Directors shall cause true accounts be kept of the sums of money received and expended by the company and the matters in respect of which such receipt and expenditure takes place and of the assets, credits and liabilities of the company. The books of account shall be kept at the registered office of the company or at such other place or places as the Directors think fit.

Accounts to
be kept

152. The Directors shall from time to time determine whether and to what extent and what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of the members; and no member shall have any right of inspecting any account or book or document of the company, except as conferred by statute or authorized by the Directors, or by a resolution of the company, in general meeting and no member, not being a director, shall be entitled to require or receive any information concerning the business trade in or customers of the company, or any trade secret or secret process of or used by the company.

Inspection by
members

153. At the ordinary meeting in every year except 1931 the Directors shall lay before the company a profit and loss account and a balance sheet containing a summary of the property and liabilities of the company, made up to a date not more than six months before the meeting from the date up to which the last preceding account and the balance sheet were made up and in the case of the first account and balance sheet from the incorporation of the company, but the Directors shall not be bound to disclose greater details of the result or extent of the trading and transactions of the company than they may deem expedient.

Annual
account and
Balance Sheet

153A. (1) Every Balance sheet and every profit and loss account of the company shall be signed on behalf of the Board of Directors by the Secretary, if any and

Authentication
of Balance
Sheet and
Profit and
Loss Account

by not less than two directors, one of whom shall be the Managing Director, if there is one.

- (2) Provided that when only one director is for the time being in India, the Balance sheet and profit and loss account shall be signed by such Director and in such case there shall be attached to the Balance sheet and profit and loss account a statement signed by him explaining the reason for non-compliance with the provisions of sub-clause (1).
- (3) The Balance sheet and the profit and loss account shall be approved by the Board of directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditors for their report thereon.

Profit and Loss Account to be annexed and Auditors' Report to be attached to Balance Sheet

153B. The Profit and Loss Account shall be annexed to the Balance Sheet and the Auditors' Report (including the Auditors' separate, special or supplementary reports, if any) shall be attached thereto.

Board's Report to be attached to the Balance Sheet

154. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a report by the Board of Directors with respect to the state of the Company's affairs, the amounts if any which it proposes to carry to any Reserve in such Balance sheet and the amount, if any which it recommends to be paid by way of dividend and material changes and commitments, if any, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report and the conservation of energy, technology absorption, foreign exchange earnings and outgo in such manner as may from time to time, be prescribed according to the provisions of the Companies Act, 1956 in that behalf.
- (2) The report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or any of its subsidiaries, deal with any changes, which have occurred during the financial year in the nature of Company's business; in the nature of Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.
- (3) The Board shall also give the fullest information and explanations in its report or in cases falling under the proviso to Section 222 of the Companies Act, 1956 in an addendum to that report, on every

reservation, qualification or adverse remark contained in the Auditors' Report.

- (4) The Board's report shall also include a statement containing information regarding remuneration and other particulars of employees as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.
- (5) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of sub-clauses (1) and (2) of Article 153A.
- (6) The Board may entrust any person not being a director with the duty of seeing that the provisions of sub-clauses (1) to (4) of this Article are complied with.

155. A copy of every Balance Sheet (including the Profit and Loss account, the Auditor's Report and every other document required by law to be annexed or attached as the case may be to the Balance Sheet) which is to be laid before the company in General Meeting shall, not less than twenty one days before the date of the meeting be sent to every member of the company, to every trustee for the holders of any debentures issued by the Company whether such member or trustee is or is not entitled to have notices of General Meetings of the company sent to him and to all persons other than such members or trustees, being persons so entitled.

Right of members and others to copies of Balance Sheet and Auditor's Report and statement under Section 219

Provided that the Board of Directors, may in their absolute discretion, instead make available for inspection the copies of the documents aforesaid at its Registered Office during working hours for a period of 21 days before the date of the meeting and a statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as the company may deem fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than 21 days before the date of the meeting.

Provided further that the statement referred to in first proviso above shall be approved by the Board of Directors and signed on behalf of the Board in accordance with the provisions of sub-section (1) of 215 of the Act.

XXV. AUDIT

156. Once at least in every year except the year 1931 the accounts of the Company shall be examined and the correctness of the profit and loss account and balance sheet ascertained by one or more auditor or auditors.

Accounts to be audited annually

157. The company at each ordinary general meeting shall appoint an auditor or auditors to hold office until the next ordinary general meeting and the following provisions shall have effect, that is to say:-

- (1) If an appointment of auditors is not made at an ordinary general meeting, the Local Government of Bombay may on the application of any member of the Company, appoint an auditor for the current year and fix the remuneration to be paid to him by the company, for his services.
- (2) A director or other officer of the company shall not be capable of being appointed auditor of the company.
- (3) A person other than a retiring auditor shall not be capable of being appointed auditor at an ordinary general meeting unless notice of an intention to nominate that person to the office of auditor has been given by a shareholder to the company, not less than fourteen days before the meeting and the company shall send a copy of any such notice to the retiring auditor and shall give notice thereof to the shareholders either by advertisement or in any other mode allowed by the articles, not less than seven days before the meeting.

Provided that if, after notice of the intention to nominate an auditor has been so given, an ordinary general meeting is called for a date fourteen days or less after the notice has been given, the notice though not given within the time required by this provision, shall be deemed to have been properly given for the purpose thereof and the notice to be sent or given by the company may, instead of being sent or given within the time required by this provision be sent or given at the same time as the notice of the ordinary general meeting.

- (4) The first auditors of the company may be appointed by the directors before the statutory meeting and if so appointed shall hold office until the first ordinary general meeting unless previously removed by a resolution of the share holders in general meeting in which case the share holders at that meeting may appoint auditors.
- (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.
- (6) The remuneration of the auditors shall be fixed by the company in general meeting, except that the remuneration of any auditors appointed before the

statutory meeting or to fill any casual vacancy may be fixed by the Directors.

- (7) Every auditor of the company, shall have right of access of all times to the books and accounts 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.
- (8) The auditors shall make a report to the shareholders on the accounts examined by them and on every balance sheet laid before the company, in general meeting during their tenure of office and the report shall state: -
- (a) Whether or not they have obtained all the information and explanation they have required; and
- (b) Whether in their opinion the balance sheet referred to in the report is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs according to the best of their information and the explanations given to them and as shown by the books of the company.
- (9) The balance sheet shall be signed on behalf of the board of two of the directors of the company, or if there is only one director, by that director and the auditors' report shall be attached to the balance sheet, or there shall be inserted at the foot of the balance sheet a reference to the report and the report shall be read before the company in general meeting and shall be open to inspection by any shareholders.

Any shareholder shall be entitled to be furnished with a copy of the balance sheet and auditor's report at a charge not exceeding six annas for every hundred words.

158. 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 thereof. Whenever any such error is discovered within that period the account shall forthwith be corrected and thenceforth shall be conclusive.

When
accounts to be
deemed
finally settled

XXVI. NOTICES

159. A notice may be served by the company upon any member either personally or by sending it through the post in prepaid letter

How notices
to be served
on members

envelope or wrapper, addressed to such member at his registered place of address.

Members
resident abroad

160. Each holder of registered shares, whose registered place of address is not in British India, may from time to time notify in writing to the company an address in British India which shall be deemed his registered place of address within the meaning of the last preceding clause.

Notices where
no address

161. As regards those members, who have no registered place of address in British India a notice posted up in the office shall be deemed to be well served on them at the expiration of twenty four hours after it is so posted up or at the time the same is so posted up.

No notice to
holders of
share-warrants

162. The holders of share-warrants shall not, unless otherwise expressed therein, be entitled in respect thereof to notice of any general meeting of the company and it shall not be necessary to give notice of general meetings to any person entitled to a share by transmission unless such person shall have been duly registered as a member of the company.

When notice
may be given
by
advertisement

163. Any notice required to be given by the company, to the members, or any of them and not expressly provided for by these presents, shall be sufficiently given if given by advertisement.

How to be
advertised

164. Any notice by a court of law, or otherwise required or allowed to be given by the company, to the members, or any of them by the advertisement, shall be sufficiently advertised if advertised once in one English and on Vernacular newspaper published in Bombay.

Notice to joint-
holders

165. All notices, shall with respect to any registered shares to which persons are jointly entitled be given to whichever of such persons is named first in the register and notice so given shall be sufficient notice to all the holders of such shares.

When notice by
post deemed to
be served

166. Any notice sent by post shall be deemed to have been served on the day following that on which the letter envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the letter, envelope or wrapper containing the notice was properly addressed and put into the post-office. A certificate in writing signed by any manager, secretary, or other officer of the company, that the letter, envelope or wrapper containing the notice was so addressed and posted shall be conclusive evidence thereof.

Transferees etc.
bound by prior
notices

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

Notice valid,
though member
deceased

168. Any notice or document sent by post to, or left at the registered address of, any member, in pursuance of these presents, shall notwithstanding such member be then deceased and whether

or not the company have notice of his decease, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his heirs, executors, or administrators and all persons, if any jointly interested with him in any such share.

169. The signature to any notice to be given by the company, may be written or printed.

How notice to be signed

170. Where a given number of days' notice, or notice extending over any other period, is required to be given, the day of service shall, unless it is otherwise provided, be counted in such number of days or other period.

How time to be counted

XXVII. SECRECY CLAUSE

171. No member shall be entitled to require discovery of or any information respecting any detail of the company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process 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 interests of the members of the company, to communicate to the public.

Member not entitled to information

XXVIII. WINDING UP

172. If the company, shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly, as may be, the losses shall be borne by the members in proportion to the capital paid up; or which ought to have been paid up, at the commencement of the winding up on the shares held, by them respectively. And if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of winding up paid up or which ought to have been paid up on the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

173. (1) If the company, shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of an extra-ordinary 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.

Distribution of assets in specie

- (2) If thought expedient any such division may be otherwise 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 otherwise 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 213 of the company's consolidation act, 1908.
- (3) In case any 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 extra-ordinary resolution by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall, if practicable, act accordingly.

XXIX. INDEMNITY

Indemnity

174. Every Director, manager, auditor, secretary and other officer or servant of the company, shall be indemnified by the company, against and it shall be duty of the Directors out of the funds of the company to pay all costs, losses and expenses which any such directors, managers, auditor, secretary or other officer or servant may incur or become liable to by reason of any contract entered into, or act or thing done by him as such officer or servant, or in any way in the discharge of his duties.

Individual responsibility of directors

175. No director of the company, shall be liable for the acts, receipts, neglects, or defaults of any other director or other officer of the company, or for joining in any receipt or other act for conformity, or for, any loss or expense happening to the company, through the insufficiency or deficiency of title to any property acquired by order of the directors for or on behalf of the company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company, shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities or effects shall be deposited, or for any loss occasioned by any error of judgement, or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happen through his own negligence or dishonesty.

	DHRU & CO.
Certified Copy	Rs. 17.00
Additional	Rs. 7.00
Total	<u>Rs.23.00</u>

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO.361 OF 1990

CONNECTED WITH

COMPANY APPLICATION NO.82 OF 1990.

In the matter of the Companies Act, 1 of 1956

And

In the matter of Bajaj Hindusthan Limited a Company registered under the Companies Act, 1956 and having its Registered Office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Bombay 400 021.

Bajaj Hindusthan Limited)
a Company Registered under)
the Companies Act I of 1956)
and having its Registered)
Office at Bajaj Bhawan,)
2nd Floor, Jamnalal Bajaj Marg,)
226, Nariman Point,)
Bombay 400 021.)

.....Petitioner

Coram: D. R. Dhanuka J.
Date : 27th March, 1991.

Upon the Petition of Bajaj Hindusthan Ltd. the Petitioner Company above named solemnly declared on the 31st May, 1990 and presented to this court on 1st June, 1990 for sanction of the Scheme of Amalgamation between Sharda Sugar & Industries Ltd. being the Transferor Company and the Petitioner Company as the Transferee Company AND the said Petition being this 27th day of March, 1991 called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Shishir Bajaj, Managing Director of the Petitioner Company, in support of the said Petition and the Affidavit of Mr. R. Ramachandran, the Company Secretary of the Petitioner Company dated 26th February, 1991 proving the publication of the notice of the hearing of the said Petition and service of the Notice of the hearing of the Petition upon the creditors AND UPON PERSUADING the order dated the 28th March, 1990 passed by this Hon'ble court in Company Application No. 82 of 1990 whereby the Petitioner Company was ordered to

convene a meeting of the equity shareholders of the Petitioner Company for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation of Sharda Sugar & Industries Ltd. as the Transferor Company and the Petitioner Company as the Transferee Company a copy whereof is annexed as **Exhibit 'C'** to the said Petition AND UPON READING the Report dated the 24th day of June, 1990 of Mr. Ramkrishna Bajaj as the chairman of the said meeting of the Equity shareholders of the Petitioner Company as to the result of the said meeting held on the 4th May, 1990 AND UPON HEARING Mr. V.V. Tulzapurkar with Mr. Ketan D. Parikh Advocates for the Petitioner Company, in support of the said petition and UPON HEARING Mr. S.L. Rajput representative of the Regional Director Company Law Board who submits to the orders of this Hon'ble court, AND IT APPEARING from the said Report that the proposed scheme of Amalgamation has been approved overwhelmingly by large majority of the shareholders of the Petitioner Company present and voting either in person or by proxy and by representative under section 187 of the Companies Act, 1956 representing 3,58,510 equity shares of Rs.100/- (Rupees One Hundred Only) each and the scheme being acceptable to the Financial Institutions, the Industrial Credit & Investment Corporation of India Ltd. vide their letter dated 8th May, 1990 AND no other person appearing this day either in support of the said petition or to show cause against the same AND IT APPEARING from the report dated 12th March, 1991 made by the Official Liquidator as contemplated under the second proviso to section 394 (1) of the Companies Act, 1956 AND UPON READING the said Report of the Official Liquidator it appears that the affairs of the Transferor Company i.e. Sharda Sugar & Industries Ltd. do not appear to have been conducted in a manner prejudicial to the interest of its members or to public interest AND UPON READING the said Report of the Official Liquidator it appearing that the Transferor Company be dissolved without winding up in terms of the second proviso to section 394(1) of the Companies Act, 1956 AND UPON PERUSING the sanction granted by the Central Government under section 23(2) of the Monopolies and Restrictive Trade Practices Act, 1969 by its order bearing No. 28(4) 9-CL-VI dated 22nd February, 1991 to the Petitioner Company THIS COURT DOTH HEREBY sanction the Scheme of Amalgamation/being **Exhibit 'C'** to the said Petition and as set forth in schedule 1 hereunder written AND THIS COURT DOTH HEREBY declare/the same to be binding on all the equity shareholders of the Petitioner Company and on the Petitioner Company/AND THIS COURT DOTH FURTHER ORDER that as from the 1st day of April, 1990 (hereinafter called "the Appointed date") the entire undertaking of the Transferor Company as defined in the said Scheme of Amalgamation and described in **Exhibit 'D'** to the said Petition and in Schedule II hereunder written and all the estate and interest of the Transferor Company do stand transferred without further act or deed to the Transferee Company (i.e. Petitioner Company) and that the same pursuant to section 394 of the Companies Act, 1956 to stand transferred to and vested in the Transferee Company (i.e. Petitioner Company) with effect/from the appointed date together with all the estate and interest of the said Transferor Company subject nevertheless to all charges now affecting the same AND THIS COURT DOTH FURTHER ORDER that with effect from the appointed date all the liabilities and duties of the Transferor Company do stand transferred without further act or deed to the Transferee Company (i.e. Petitioner Company) so as to become the liabilities and duties of the said Transferee Company AND THIS COURT DOTH FURTHER ORDER that all proceeding now pending by or against the Transferor Company be continued by or against the Transferee Company (i.e. Petitioner company) AND THIS COURT DOTH FURTHER ORDER that the Transferee Company (i.e. Bajaj Hindusthan Ltd.) do allot to the Equity Shareholders of the transferor company, Equity Shares of the Petitioner Company to which they are entitled under the said compromise or arrangement embodied in the said Scheme of Amalgamation AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company being the Transferee Company do within 30 days from the date of the sealing of this order cause a certified copy of this order to be delivered to the Registrar of Companies, Maharashtra, Bombay, for registration and on such certified copy being so delivered the Transferor Company be dissolved without winding up and the said Registrar of Companies, Maharashtra, Bombay, do place all documents relating to the Transferor Company and registered with him on the file Kept by him in relation to the Transferee Company above named and the files relating to the Transferor Company and the transferee Company shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company to pay to the Regional Director a sum of Rs. 500/- (Rupees Five

Hundred Only) towards the costs of petition and of this order

WITNESS SHRI PRABODH DINKARRAO DESAI, chief Justice at
Bombay aforesaid this 27th day of March, 1991.

Sd/- S. S. Pawar

By the Court

Sd/- S. S. Pawar

SEALER

This 26th day of April, 1991

For Prothonotary & Senior Master

Order sanctioning scheme)
of Amalgamation drawn on)
application of M/s. Dhru & Co.,)
Advocates for the Petitioners)
having their office at Natwar)
Chamber, 94, Nagindas Master)
Road, Fort, Bombay 400 023.)

EXHIBIT 'C'

SCHEME OF AMALGAMATION

OF

SHARDA SUGAR & INDUSTRIES LIMITED

WITH

BAJAJ HINDUSTHAN LIMITED

1. This scheme of Amalgamation provides for the Amalgamation of Sharda Sugar & Industries Limited a Company, incorporated under the Companies Act, 1956 (hereinafter called "the said Act") and having its Registered Office at 2nd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Bombay 400 021 (hereinafter called "the Transferor Company") with Bajaj Hindusthan Limited also a Company registered under the Indian Companies Act, 1913 and having its Registered Office at 2nd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Bombay 400 021 (hereinafter called "the Transferee Company").

2. (a) With effect from commencement of 1st April, 1990 (hereinafter called "the Appointed Date") the undertaking and the entire business and all properties, assets, investments, powers, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in, granted in favour of or enjoyed by the Transferor Company, including but without being limited to all patents, trade-marks, trade names and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements and all other interests including those arising to the Transferor Company in the course of modernization and expansion of existing plant (hereinafter collectively referred to as "the said assets") shall be transferred to and vested in and/or deemed to be transferred to and vested in the Transferee Company pursuant to the provision of Section 394 of the said Act which shall form a division of the Transferee Company to be called "Palia Sugar Division".
- (b) The transfer/vesting as aforesaid shall be subject to existing charges/hypothecation/ mortgage (if any as may be subsisting) over or in respect of the said assets or any part thereof.
- (c) It is expressly provided that in respect of such of the said assets 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 the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 394 of the said Act as an integral part of the undertaking.
- (d) In respect of such of the said assets other than those referred to in sub-para (c) above, the same shall as more particularly provided in sub-clause (a) above, without, any further act, instrument or deed, be transferred to and vested in and/or

be deemed to be transferred and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

- (e) The Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of the Secured Creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement, or carry out all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

3. With effect from the “Appointed Date”, all debts, liabilities, duties and obligations of the Transferor Company (hereinafter referred to as “the said liabilities”) shall also be and stand transferred or deemed to be transferred, without further act, instrument or deed to the Transferee Company, pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee 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 virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause.

4. This Scheme, although operative from the Appointed Date shall take effect, finally upon and after the date on which any of the aforesaid sanctions or approvals or orders shall be last obtained and from the date a certified copy/copies of the order/s of the High Court under Sections 391 and 394 of the Companies Act, 1956 being filed with the Registrar of Companies which shall be “the Effective Date” for the purpose of this Scheme.

5. With effect from the Appointed Date up to the date on which this Scheme finally takes effect (viz. the Effective Date):

- (a) The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the said Assets for and on account of and in trust for the Transferee Company;
- (b) All the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes accrue and be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, as the case may be;
- (c) The Transferor Company shall carry on its business activities with reasonable diligence, business prudence and shall not alienate, charge, mortgage, encumber or otherwise deal with the said assets or any part thereof, 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 Company prior to the Appointed Date; and
- (d) Save as specifically provided in this Scheme, neither the Transferor Company nor the Transferee Company shall make any change in their capital structure either by any increase (by issue of rights shares, equity bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, consolidation, re-organisation or in any other manner which may in any way effect the share exchange ratio prescribed in Clause 10 except by mutual consent of the Board of Directors of both the Companies.

6. All suits, actions and proceedings by or against the Transferor Company pending and/or arising on or before the date on which this Scheme shall finally take effect shall be continued and be enforced by or against the Transferee Company as effectively as if the same had been pending and/or arising against the Transferee Company.

7. Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Appointed Date, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmation or enter into any Tripartite Arrangement, confirmations or novations to which the Transferor Company will, if necessary also be a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.

8. The transfer of the said assets and the said liabilities of the Transferor Company to the Transferee Company and the continuance of all the contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets or the said liabilities already concluded by the Transferor Company on or after the Appointed Date.

9. (a) The Authorised Share Capital of the Transferor Company is Rs. 5,00,00,000 (Rupees Five Crore Only), divided into 50,00,000 (Fifty Lakh) equity shares of Rs.10 (Rupees Ten Only) each. The issued and subscribed Share Capital of the Transferor Company consists at present 16,40,648 (Sixteen Lakh Forty Thousand Six Hundred Forty Eight) equity shares of Rs. 10 each aggregating to Rs.1,64,06,480 (Rupees One Crore Sixty Four Lakh Six Thousand Four Hundred Eighty). The Paid-up Share Capital of the Transferor Company is Rs.1,64,02,125.66 after deducting Rs.4,354.34 (Rupees Four Thousand Three Hundred Fifty Four and Paise Thirty Four) in respect of allotment money in arrears.

(b) The Authorised Share Capital of the Transferee Company is Rs.10,00,00,000 (Rupees Ten Crore) divided into 10,00,000 (Ten Lakh) shares of Rs. 100 (Hundred) each. The issued, Subscribed and Paid-up Share Capital of the Transferee Company is Rs. 5, 60,00,000 (Rupees Five Crore Sixty Lakh) divided into 5,60,000 (Five Lakh Sixty Thousand) equity shares of Rs.100 (Hundred) each. An Extra Ordinary General Meeting of the shareholders of Bajaj Hindusthan Limited has been convened to be held for sub-division of the existing 10,00,000 shares of Rs.100 each of the said Company forming part of its Authorised Share Capital into 1,00,00,000 shares of Rs.10 each and that each such share be classified as an Equity Share.

10. (a) Upon the Scheme becoming finally effective, in consideration of the transfer of and vesting of the said assets and said liabilities of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall without any application or deed, issue and allot shares credited as fully paid up to the shareholders of the Transferor Company whose names are recorded in its Register of Members, on a date (Record Date), save and except the Transferee Company, to be fixed by the Board of Directors of the Transferee Company in the ratio of 1 (One) Equity Shares of the face value of Rs. 100 (Hundred) each (fully paid up) of the Transferee Company for every 25 (Twenty Five) Equity Shares of Rs. 10 each (fully paid up) of the Transferor Company. In the event of the shares of the Transferee Company being sub-divided into 10 Equity Shares of Rs.10 each for every one share of Rs.100 each, then and in such event the exchange ratio shall be 2 (Two) Equity Shares of the face value of Rs.10 (Ten) each (fully

paid up) of the Transferee Company for every 5 (Five) Equity Shares of the face value of Rs.10 each (fully paid up) of the Transferor Company.

- (b) The Transferor Company holds on the Appointed Date 12,75,033 (Twelve Lakh Seventy five Thousand Thirty three) equity shares of Rs.10 each fully paid up in the Transferor Company. No equity shares of the Transferee Company shall be allotted in lieu or exchange of the holding of the Transferee Company in the Transferor Company. No Fractional Certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the members of the Transferor Company may be entitled on issue and allotment of the shares of the Transferee Company as aforesaid. The Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the members of the Transferor Company may be entitled on issue and allotment of the Shares of the Transferee Company as aforesaid and thereupon issue and allot shares in lieu thereof to a Director or an officer of the Transferee Company with the express understanding that such Director or Officer to whom such shares be allotted shall sell the same in the market at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the Transferee Company shall distribute such net sale proceeds to the members of the Transferor Company in proportion to their fractional entitlements.
- (c) For the purpose as aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the consent of the Controller of Capital Issues, the Reserve Bank of India and other concerned authorities, for the issue and allotment by the Transferee Company to the respective members of the Transferor Company, the equity shares in the share capital of the Transferee Company in the ratio aforesaid.

11. Upon this Scheme becoming finally effective all shareholders of the Transferor Company shall surrender their share certificates for cancellation thereof to the Transferee Company. Notwithstanding anything to the contrary, upon the new shares in the Transferee Company being issued and allotted by it to the eligible shareholders of the Transferor Company whose names shall appear on the register of Members of the Transferor Company on such Record Date fixed as aforesaid, the share certificates in relation to the shares held by them in the Transferor Company shall be deemed to have been cancelled and be of no effect, on and from such Record Date.

12. The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends prior to the Effective Date in respect of their respective profits/earnings upto the Effective Date. The equity shares of the Transferee Company, when issued to the equity shareholders of the Transferor Company, shall rank pari passu in all respects with the existing equity shares of the Transferee Company for all purposes including payment of dividend declared after the Effective Date.

13. (a) All Employees of the Transferor Company in service on the date immediately preceding the date on which this Scheme finally takes effect i.e. the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Company as on the said date.
- (b) It is expressly provided that as far as the Provident Fund, Gratuity Scheme, Superannuation Scheme or any other Special Fund created or existing for the benefit of the Employees of the Transferor Company are concerned, upon this Scheme becoming finally effective, the Transferee Company shall, stand substituted for the Transferor Company for all purposes whatsoever related to the administration or operation of such Schemes or Funds or in relation to the

obligation to make contributions to the said Funds in accordance with provisions of such Schemes or Funds as per the terms provided in the respective Trust Deeds. It is the end and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds/Schemes shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continuous for the purpose of the aforesaid Funds or provisions or Schemes.

14. (1) On and from the Appointed Date (a) the Capital Reserve for (1) Subsidy received from financial institutions towards cost of Diesel Generating Set and (ii) Subsidy received from U.P. State Government towards cost of hot water treatment plant (b) Investment Allowance Reserve and (c) Reserve for Construction of Molasses Storage Tanks of the Transferor Company as at the close of business on the day immediately preceding the Appointed Date will become the (a) Capital Reserve (as detailed above) (b) Investment Allowance Reserve and (c) Reserve for Construction of Molasses Storage Tanks of the Transferee Company respectively.
 - (2) The excess of the fair value of the assets of the Transferor Company on the Appointed Date over – (i) the Liabilities of the Transferor Company appearing in the books of accounts on the Appointed Date, (ii) Reserves to be transferred to the Transferee Company as per Para 14 (i) above, (iii) Value of shares in the Transferor Company held by Transferee Company and (iv) Paid-up value of the Shares issued to the shareholders of the Transferor Company as per exchange ratio stipulated in Para 10 (a) above shall be credited by the Transferee Company to an account to be styled as “Amalgamation Reserve Account”. The said account shall be considered as a free Reserve and shall form part of the Net Worth of the Transferee Company.
15. The Transferor Company shall with all reasonable dispatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for dissolution of the Transferor Company without winding up under the provisions of law.
16. The Transferee Company shall also with all reasonable dispatch make application/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law.
17. The Transferor Company (by its Directors) and the Transferee Company (by its Directors) may assent from time to time on behalf of all persons concerned to any modification or amendments of this Scheme or of any conditions or limitations which the Court and/or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect.
18. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of the Transferor Company or the Transferee Company as the case may be may give and are authorized to give all such directions as are necessary including directions for settling any question or doubt or difficulty that may arise.
19. This Scheme is specifically conditional upon and subject to:
- (a) the sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities/Institutions concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.

- (b) The approval of any agreement to the Scheme by the requisite majorities of such classes of persons of the Transferor Company and the Transferee Company as may be directed by the High Court of Judicature at Bombay on the applications made for directions under Section 391 of the said Act for calling meetings and necessary resolutions being passed under the said Act for the purpose.
- (c) The sanctions of the High Court of Judicature at Bombay being obtained under Sections 391 and 394 and other applicable provisions of the said Act if so required on behalf of the Transferor Company and the Transferee Company.
- (d) The requisite consent, sanction or approval of the Controller of Capital Issues (the Central Government) under the Capital Issues (Control) Act, 1947 being obtained.
- (e) The requisite approval of the Reserve Bank of India under the provisions of Foreign Exchange Regulation Act, 1973, for the issue of shares in the Transferee Company to the non-resident shareholders of the Transferor Company in accordance with the provisions of the Scheme being obtained.
- (f) The approval, if necessary, of the Central Government under Section 23 of the Monopolies & Restrictive Trade Practices Act, 1969.

20. In the event of any of the said sanctions and approvals referred to in the preceding Clause 19 above not being obtained and/or the Scheme not being sanctioned by the High Court and/or the order or orders not being passed as aforesaid before 30th June, 1991 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by its Directors (and which the Board of Directors of both the Companies are hereby empowered and authorized to agree to and extend from time to time without any limitations), the Scheme of arrangement 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 right, liability or obligation which has 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.

21. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of and incidental to the completion of the amalgamation of the said undertaking of the Transferor Company in pursuance of this Scheme shall, except as specifically provided herein be borne and paid by the Transferee Company.

SCHEDULE – II

EXHIBIT “D”

PART I

Immovable Property

All that the lands, hereditaments and premises together with structure or structures standing thereon including factory buildings, godowns, workshops, administrative and other buildings bearing Plot Nos.99, 119, 124 and 125 admeasuring in an aggregate an area of 14.18 acres, 84.15 acres, 0.77 acres and 3.32 acres situate, lying and being in the viillage of Palia Khurd, Pargana Palia Kalan District Kheri in the State of Uttar Pradesh as also Plot bearing No.61 admeasuring in an aggregate an area of 2.40 acres or thereabouts situate, lying and being village Baregaon, Pargana Palia Kalan, District Kheri in the State of Uttar Pradesh comprised in and more particularly referred to in the Indenture dated 4th November, 1972 executed by the Governor of Uttar Pradesh in favour of Sharda Sugar & Industries Ltd.

EXHIBIT "D"**SHARDA SUGAR & INDUSTRIES LIMITED, PALIA KALAN,
KHERI (U.P.)****STATEMENT OF EXISTING MACHINERY AND EQUIPMENT**

<u>Sl. No.</u>	<u>Description of Machinery</u>
	<u>CANE WEITHMENTT</u>
1.	(a) Weigh Bridge Steel Yard type with electronic display.
	(b) Weigh-Bridge Steel Yard type with electronic display.
	(c) Weigh-Bridge Steel Yard type with electronic display.
	<u>CANE HANDLING</u>
1.	Truck Tippler
2.	E.O.T Crane 3 motion
3.	E.O.T Crane 3 motion
4.	E.O.T Crane 3 motion
5.	Feeder Table with 30 inclination
6.	Feeder Table for Truck Tippler
7.	Main Cane Carrier
8.	Rubber Belt conveyor
9.	Electromagnetic Separator
	<u>CANE PREPARATION :</u>
1.	Cane Kicker with driving Motor – 40 H. P.
2.	Cane Leveller with driving Motor – 250 H. P.
3.	Fibrizer – 66" size, Swing die 1850 mm No. of hammers – 40, 16 kgs. Each
4.	Fibrizer drive Turbine, suitable for 180 paig and temp. 300° C.
5.	Cane Feed Control System
	<u>MILLING PLANT</u>
1.	Milling Tandem – Five Three Roller Mills size – 525 mm. 1371mm.
2.	G. R. P. F.
3.	T. R. P. F. at 1 st Mill, size – 620 mm x 1370 mm chain drive.
4.	T. R. P. F. at other mills, size – 620 mm x 1370 mm, chain drive.
5.	Turbine No. 1, suitable for 11.25 kgs. pressure with primary & Secondary Gearbox.
6.	Turbine No. 2, suitable for working at 11.25 kgs/sq. inch pressure.
	<u>D. S. M. SCREENS</u>
	(a) 1 mm size for first screening.
	(b) 0.7 mm size for second screening.
	<u>INBIBITION</u>
1.	Water Weighing Scale
2.	<u>Pumps</u>
	a) Imbibition Pumps 3 NK – 10.
	b) Water Imbibition Pump – season 65/320.
	c) Unstrained Juice Pumps – SHD-150/40N.
	<u>MILL HOUSE CRANE</u>
	<u>BAGASSE HANDLING</u>

1. Elevator.
2. Main Bagasse Carrier.
3. Distributor
4. Return Bagasse Carrier
5. Cross Carrier

BOILERS

1. Boiler No.1 – Water Tube with Horse shoe furnaces, suitable for 17.58 Kg/cm² working pressure with I.D. X F.D. fans and M.S. Fabricated Chimney.
2. Boiler No.2 to 5 – Babcock – Wilcox water tube, having step gate furnaces, working pressure – 160 paig with common F.D. fans and M.S. Chimney with Boiler No. 6 & 7.
3. Boiler No. 6 & 7 B & W, water tube having Lipi design pulsating grate design for working pressure – 160 paig with common I.D. /7 F.D. fans and M.S. fabricated Chimney as above.
4. Economiser for Texmaco – 25 Tons, Boiler, Grilled tube economizer.
5. Economiser common for all other Boiler. i.e. No.2 to No.7.

FEED PUMPS

1. Feed Water Tank.
2. Turbo Feed Pump.
3. Multistage Pump
4. Multistage Pump

BAGASSE BALES

With suitable drive and necessary feeding chutes.

POWER PLANT

1. Turbine No. 1 with Alternation – 2.5 MW with L & T Make ACB and distribution panels Nos. and capacitor bank.
2. Turbine No. 2 with Alternator O. C. B. and excitation panel.
3. Diesel Generating Set.
4. Diesel Generating Set with Suitable synchronizing arrangement.

STEAM REDUCING STATION

1. Steam Reducing Area valve suitable to reduce steam pressure from 200 paig to 90 lbs. for Sulphur Surnerz, Centrifugal etc.
2. Steam reducing Area valve, suitable to reduce steam pressure from 90 lbs. 15 lbs. for process.

CLARIFICATION

1. Juice Weighing Scale with check weighing Scale.
2. Vapour Line Juice Heaters.
3. Juice Heaters.
4. Juice Heaters.
5. Juice Sulphitor No.1.
6. Juice Sulphitor No.2.
7. Plate type heater

MILK OF LIME PLANT

1. Slaker.
2. Lime Tanks.
3. Country Kiln.

SULPHUR GAS PLANT

1. Auto Control Sulphur Furnace complete with coolers, scrubbers, gas piping & valves.
2. Sulphur Furnaces, complete with scrubbers coolers, gas-piping, & valves.

3. AIR COMPRESSORS

- a) Compressor No. 1.
- b) Compressor No. 2.
- c) Compressor No. 3.
- d) Instrument Compressors.

4. D.C. FILTERS

- a) Small filters with Vacuum Pumps.
- b) Large filter with Vacuum Pump.

CLARIFIER

Rapidorr, size – 8.54 mtrs. Dia 6.096 mtrs. Height, 4 compartments.

VAPORATOR

1. Double effect vapour cell with Rising Film type Semi Kestner and conventional II body.
2. 6000 H. S. first body of conventioned type.
3. New French set, conventional type.
4. Old French set, conventional type.

SYRUP SULPHITOR

Continuous Syrup Sulphitor – size – 2.3 M. dia x 3.7 M. high, working capacity – 7 M3 each.

PUMPS

- a) Weighed Juice Pumps.
- b) Sulphured Juice Pumps.
- c) Clear Juice Pumps.
- d) Dorr Liquidated Pumps.
- e) Condensate Pumps for Juice Heaters.
- f) Gola Pumps Common.
- g) Condensate Pumps for Evaporator.
- h) Syrup Pump.
- i) Lime Pump
Lime Pump
Lime Pump
- j) Vacuum Pump for O. C. F. 8' x 12'
Vacuum Pump for O. C. F. 10' x 20'
- k) Filterate Pumps.
- l) Transfer Pump.
- m) V. L. J. H. Condensate Pump.

VACCUM PANS

- a) Low head Calandria Pans.
- b) Low head Calandria Pans.
- c) Low head Calandria Pans.
- d) Low head Calandria Pans.
- e) Low head Calandria Pans fast Circulation type.

CRYSTALLIZERS

- a) Dry Seed.
- b) Seed Magma Crystallizer.
- c) Vacuum Crystallizer.

- do -

- d) Air Cooled for A & B.
- e) Water Cooled Crystallizer.
- f) Common for B & C.
- g) Dropping Crystallizer and C-Mass.
- h) - do - for B-Mass.
- i) Mono Vertical continuous crystallizer.
- j) Vertical Twin continuous crystallizer.
- k) A – grain.

PUMPS FOR PAN

Condensate Pumps.

Hot water Pump below quad.

CONDENSING PLANT

- 1. Multijet Condenser, size – 170 mm. top dia x 2330 mtrs. height for pans.
- 2. Rain & shower type condensers of dia 1500 mm x 3.5 mm. height for evaporator.
- 3. Injection Pumps motor driven 8UP2.
- 4. Injection Pumps, motor driven – 10UP1.

SPRAY SYSTEM

Spray pond with high and discharge pumps. Mist. Cooling No. 33 required approximately – 200 nos.

CENTRIFUGAL MACHINES

- i) A. Massacuite
 - a) Flat Bottom.
 - b) Self Discharge.
- ii) B. Massacuite
 - a) Batch type.
 - b) Continuous type.
 - i. Contionuous
 - ii. -do-
 - iii. -do-

AIR COMPRESSORS

HOPPERS

PUMPS FOR CURING SECTION

- a) Molasses Gear type pump.
- b) Molasses Gear type pump.
- c) High Flow Pump.
- d) Melt Pump
- e) Massacuite/Magma Pump.

SUGAR GRADER

- a) Sanjay Grader.
- b) Regalgaon Grader.

SUGAR ELEVATOR

-do- SUGAR

MELTER

MOLASSES : WEIGHING SCALE

TUBEWELLS

- a) New Tubewell.
- b) Submersible Pumps.
- c) Old Tubewell.

MOLASSES STORAGE TANKS

- a) Old No.1.
- b) Old No.2.
- c) New.

HOT & COLD WATER STORAGE TANK

- a) No. 1.
- b) Other No.2, 3 & 4.

MISCELLANEOUS

Sugar Bins.

Bucket type Elevators.

Sugar Hoppers.

Water Filtrate Plant for drinking water.

Rubber Belt Conveyor for Mud handling.

Moist Hot Air Cane Seed Treatment Plant.

Effluent Treatment Plant.

WORKSHOP

- a) Lathe Machines.
 - i. Lathe Machine No. 1.
 - ii. Lathe Machine No. 2.
 - iii. Lathe Machine No. 3.
 - iv. Mill House Lathe Machine.
- b) Planing Machine
- c) (i) Shaping Machine.
(ii) Shaping Machine.
- d) (i) Drilling Machine.
(ii) -do-
- e) (i) GRINDERS.
(ii) Valve Grinders.
- f) Hackshaw Machine.

EXHIBIT "D"

PART III

1. Furniture, fixtures, airconditioners, refrigerators, office equipments.
2. Motor Vehicles.
3. Raw materials, stores, spares, components, sundries and finished goods and stocks.
4. Insurance Policies.
5. Registration under various authorities and license inclusive of Industrial License, Import License and a like.

CERTIFIED TO BE A TRUE COPY
This 26th day of April 1991.

Sd/-
For Prothonotary and Senior Master

IN THE HIGH COURT OF JUDICATURE AT
BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.361 OF 1990
CONNECTED WITH
COMPANY APPLICATION NO. 82 OF 1990

In the matter of the
Companies Act, 1 of 1956
And
In the matter of Bajaj Hindusthan Limited

Bajaj HindusthanPetitioner

CERTIFIED COPY OF
ORDER SANCTIONING SCHEME OF AMALGAMATION

DATED THIS 27TH DAY OF MARCH, 1991

Filed this 26th day of April, 1991

MESSRS DHRU & CO.
ADVOCATES FOR THE PETITIONERS

Applied on 12-4-91

Engrossed on 26-4-91

Section Writer _____

Follow _____

Examined by _____

Compared with _____

Ready on 26-4-91

Delivered on 26-4-91

	DHRU & CO.,
Certified Copy	Rs. 1.50
Additional	Rs. 1.30
Total	<u>Rs. 2.80</u>

HIGH COURT

O. O. C. J.

Company Petition No.35 of 1995

Bajaj Hindusthan Ltd.

.. Petitioners

Mr. Virajit Tulzapurkar i/b Dhru & Co., for petitioners.

Mr. R. C. Master for Central Government.

....

Coram : A.P. Shah J.

June 23, 1995

P. C.

By this petition under Section 391 of the Companies Act, 1956 the Petitioner is seeking sanction to the scheme of amalgamation of Construction Boards Ltd. with Bajaj Hindusthan Ltd. The Regional Director has no objection to the scheme of amalgamation being granted. Accordingly, petition is allowed in the terms of prayers (a) to (e) with costs of Rs. 500/- to the Regional Director.

Certified copy is expedited.

....

Sd/-

Y. C. PARIKH

Associate

Applied on 11-12-95

Engrossed on 15-12-95

Section writer Sd/- _____

Follow 1

Examined By Sd/-

Compared By Sd/-

Ready on. 16-12-95

Delivered on 16-12-95

	DHRU & CO.,
Certified Copy	Rs. 19.50
Additional	Rs. 6.00
Total	<u>Rs.25.50</u>

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.35 OF 1995
CONNECTED WITH
COMPANY APPLICATION NO. 367 OF 1994

In the matter of the Companies Act, 1956;

And

In the matter of Bajaj Hindusthan Limited;

And

In the matter of Application under Section 391 of
the Companies Act, 1956;

And

In the matter of the Scheme of Amalgamation of
Construction Boards Limited with Bajaj Hindusthan
Limited.

BAJAJ HINDUSTHAN LIMITED,)
a Company Registered under the)
Companies Act, 1956 and having)
its registered office at Bajaj)
Bhavan, Jamnalal Bajaj Marg,)
226, Nariman point,)
Bombay 400 021.)

....Petitioner

Coram : A. P. Shah J.
Date : 23rd June, 1995.

UPON the Petition of Bajaj Hindusthan Limited, the Petitioner Company abovenamed presented to this Court on 11th January, 1995, for sanction of the Scheme of Amalgamation of Construction Boards Limited (hereinafter referred to as the Transferor Company) with Bajaj Hindusthan Limited the Petitioner Company (hereinafter referred to as the Transferee Company), and for other consequential reliefs as mentioned in the Petition AND the said Petition being 23rd day of June, 1995 called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Rajgopalan Ramchandran, Company Secretary of the Petitioner Company AND UPON READING THE Affidavit of Rajgopalan Ramchandran, the Company Secretary of the Petitioner Company dated 6th March, 1995, proving the publication of the notice of the hearing of the said petition in two news papers viz. Free Press Journal dated 20th February, 1995 and Janmabhoomi dated 22nd February, 1995 AND UPON PERUSING the Order dated 26th October, 1994, passed by this Hon'ble Court in Company Application No. 367 of 1994, whereby the Petitioner Company was ordered to convene a meeting of the equity shareholders of the Petitioner Company for the purpose of considering and if thought fit, approving with or without modification, the Scheme of Amalgamation of the Transferor Company with the Transferee Company is annexed as Exhibit – C to the Affidavit in support dated 25th October, 1994 to the Company Application No. 367 of 1994 AND UPON READING the Affidavit of Mr. D. S. Mehta dated 22nd December, 1994 proving publication of notice convening meeting of equity shareholders in two news papers viz. Free Press Journal dated 10th November, 1994 and Janmabhoomi dated 10th November, 1994 and service of notice on equity shareholders AND UPON READING the Report dated 22nd day of December, 1994 of Mr. D. S. Mehta as the Chairman of the said meeting of the equity shareholders of the Petitioner Company as to the result of the said meeting held on the 5th December, 1994 AND UPON READING the Affidavit of Mr. D. S. Mehta, the Chairman of the meeting of equity shareholders dated 22nd December, 1994, verifying the said Report AND IT APPEARING from the said Report of the Chairman that the Scheme of Amalgamation of Transferor Company with the Transferee Company has been unanimously approved by the equity shareholders present at the said meeting AND UPON HEARING Mr. Virajit V. Tulzapurkar, Counsel instructed by M/S. Dhru & Co., Advocates for the Petitioner Company, in support of the above Petition and Mr. R. C. Master, Panel Counsel for the Regional Director, Department of Company Affairs, Bombay who submits to the order of this Hon'ble Court AND no other persons appearing this day entitled to appear either in support of the said Petition or to show cause against the same THIS COURT DOTH HEREBY sanction the Scheme of Amalgamation being Exhibit – C to the said Petition and set forth in Schedule AND THIS COURT DOTH HEREBY declare the same to be binding on all the equity shareholders of the Petitioner Company and on the Transferor Company AND THIS COURT DOTH FURTHER ORDER that as from the 1st day of April, 1994 (hereinafter called "the Appointed Date") the entire undertaking of the Petitioner Company including all the reserves, properties movable and immovable and assets of the Transferor Company as mentioned in the Scheme shall without any further act or deed pursuant to Section 394 of the Companies Act, 1956, stand transferred to and vested in the Transferee Company (i.e. Bajaj Hindusthan Limited, the Petitioner Company) subject nevertheless to all charges now affecting the same AND THIS COURT DOTH FURTHER ORDER that with effect from the 1st day of April, 1994 all the debt, liabilities, duties and obligation of the Transferor Company do stand transferred without further act or deed to the Transferee Company (i.e. Bajaj Hindusthan Limited, the Petitioner Company) AND THIS COURT DOTH FURTHER ORDERS that the entire share capital of the Transferor Company be and the same is hereby cancelled AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the date of the sealing of this order cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Bombay for Registration and on such certified copy of the order being so delivered the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Bombay do place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the transferor Company and the Transferee Company shall be consolidated accordingly 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, Bombay towards the costs of Petition WITNESS SHRI MADHAV LAXMAN PENDSE, Acting Chief Justice of Bombay, aforesaid this 23rd day of June, 1995.

By the Court

Sd/-
For Prothonotary & Senior Master

Sd/-
Sealer
This 6th day of December, 1995.

Order Sanctioning Scheme of)
Amalgamation drawn on application)
of M/s. Dhru & Co., Advocates)
for the Petitioners, having)
their office at Natwar Chambers,)
94, Nagindas Master Road, Fort,)
Bombay 400 023.)

SCHEDULE

SCHEME OF AMALGAMATION

OF

CONSTRUCTION BOARDS LIMITED WITH

BAJAJ HINDUSTHAN LIMITED

1. With effect from 1st April, 1994, (hereinafter called “the Appointed Day”) the entire undertaking of Construction Boards Limited, a Company registered under the Companies Act, 1956 and having its registered office at 2nd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Bombay 400 021, (hereinafter called “the Transferor Company”) including all its reserves, properties, movable and immovable and assets such as leases, tenancy rights, licences, permits, quotas, trademarks, patents, possessory/occupancy rights in respect of any property movable or immovable, benefits of all agreements and all other interests, rights and powers of any kind, nature and description whatsoever, all which undertaking, properties, assets, interests, right and powers are hereinafter for the sake of brevity referred to as “the said undertaking” shall, without any further act or deed, be and stand transferred to and vested in Bajaj Hindusthan limited, an existing Company under the Companies Act, 1956 and having its Registered Office at Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Bombay 400 021 (hereinafter called “the Transferee Company”) pursuant to Section 394 of the Companies Act, 1956.
2. With effect from the Appointed day, all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to the said Section 394 of the Companies Act, 1956, so as to become, as from that day, the debts, liabilities, duties and obligation of the Transferee Company.
3. This Scheme, although effective from the appointed Day, shall become operative from the last of the following date namely:-

 - (a) the dates on which the last of the hereinafter referred consents, approvals, permission, resolutions, sanctions and order shall be obtained or passed, and ;
 - (b) the dates on which certified copies of the court’s orders under Sections 391, 392 and 394 of the said Act shall be filed with the Registrar of Companies, Maharashtra.
4. With effect from the Appointed Day and upto the date on which this Scheme finally takes effect, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of the properties so to be transferred for and on account of and in trust for the Transferee Company and that the profits accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company, as the case may be and that the transferor Company shall not alienate, charge or otherwise deal with the said undertaking or any part thereof except in the ordinary course of its business, without the consent of the Transferee Company and that the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.
5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally take effect, shall be continued and be enforced by or against the Transferee Company, as the case may be.
6. Subject to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or

having effect immediately before this Scheme becomes finally effective, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

7. The Authorised Share Capital of the Transferor Company is Rs.50,00,000/- (Rupees Fifty Lacs only) divided into 50,000 (Fifty Thousand) Equity Shares of Rs.100/- each. The Issued Subscribed and Paid-up capital of the Transferor Company is Rs.15,02,500 (Rupees Fifteen Lacs Two Thousand Five Hundred only) divided into 15,025 Equity Shares of Rs.100/- each fully paid up.

8. The Authorised Share capital of the Transferee Company is Rs.15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 (One Crore Fifty Lakhs) Equity Shares of Rs.10/- each. The Issued Subscribed and Paid-up share capital of the Transferee Company is Rs.8,73,28,460/- (Rupees Eight Crores Seventy Three Lacs Twenty Eight Thousand Four Hundred and Sixty only) divided into 87,32,846 Equity Shares of Rs.10/-each fully paid up.

9. The Transferor Company is a wholly owned subsidiary of the Transferee Company and the Transferee Company holds all the equity shares issued by the Transferor Company. On amalgamation of the Transferor Company with Transferee Company, no shares of the Transferee Company shall be allotted in respect of the holding of the Transferee Company in the Transferor Company and the share capital of the Transferor Company shall stand cancelled.

10. The Transferee Company will, on such transfer, take over all the employees, if any, of the Transferor Company as are willing to join the Transferee Company, as far as possible, on the same terms on which they are employed by the Transferor Company. The employees of the Transferor Company shall be entitled only to those benefits and perquisites to which they are entitled as employees of the Transferor Company even after the Scheme becomes finally effective. Their services with the Transferor Company, prior to such taking over, will not be treated as having been broken for the purposes of the Provident Fund, Gratuity and other benefits but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company.

11. The Transferor Company shall, with all reasonable despatch, make applications under Sections 391 and 394 of the Companies Act, 1956 to the High Court of Judicature of Bombay for sanctioning the Scheme of Amalgamation of the Transferor Company with the Transferee Company under the said provisions of law.

12. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or amendments of this Scheme or of any conditions which the Court and or any other authorities under law may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

13. For the purpose of giving effect to this Scheme of Amalgamation or to any modification thereof, the Directors of the Transferee Company may give and are authorised to give such directions including directions for setting any question of doubt or difficulty that may arise.

14. This Scheme is conditional on and subject to:

- (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval be required;
- (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High Court of Judicature at Bombay on the applications made

for directions for calling meetings and necessary resolutions are passed under the Companies Act, 1956 for the purpose; and

- (c) The sanctions of the High Court of Judicature at Bombay under Sections 391 and 394 of the Companies Act, 1956, on behalf of the Transferor Company and the Transferee Company being obtained.

15. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being obtained and/or the Scheme not being sanctioned by the High Court and/or the orders not being passed as aforesaid before 30th June, 1995 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors, this Scheme shall become null and void and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.

16. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and of and incidental to the completion of amalgamation of the said undertaking of Transferor Company in pursuance of this Scheme shall be borne and paid on an attorney and client basis by the Transferor Company alone.

IN THE HIGH COURT OF JUDICATURE OF
BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO.35 OF 1995
IN
COM. APPLICATION NO.367 OF 1994

In the matter of the Companies act, 1956;
And
In the matter of Bajaj Hindusthan Limited.
And
In the matter of Application under Section 391 of
the Companies Act, 1956;
And
In the matter of the Scheme of Amalgamation of
Construction Boards Limited with Bajaj Hindusthan
Limited
Bajaj Hindusthan Limited Petitioner

CERTIFIED COPY OF
THE ORDER SANCTIONING SCHEME OF
AMALGAMATION

DATED THIS 23RD DAY OF JUNE, 1995.

Filed this 6th day of December, 1995.

Applied on 11-12-95
Engrossed on 15-12-95
Section Writer Sd/-
Follow 13
Examined by Sd/-
Compared with Sd/-
Ready on 16-12-95
Delivered on 16-12-95

M/S. Dhru & Company
Advocate for the Petitioner
Natwar Chambers, 2nd floor,
N. M. Road, Fort,
Bombay 400 023.

	Junnarkar & Associates
Certified Copy	Rs. 20.00
Additional	Rs. 0.00
Total	Rs.20.00

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO. 578 OF 2010

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO.502 OF 2010

In the matter of the Companies Act, 1956;

-And-

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

-And-

In the matter of the Scheme of Amalgamation
of

Bajaj Hindusthan Sugar and Industries
Limited

with

Bajaj Hindusthan Limited.

Bajaj Hindusthan Sugar and Industries Limited

...Petitioner Company
(Transferor Company)

AND

COMPANY SCHEME PETITION NO. 579 OF 2010

CONNECTED WITH

COMPANY SUMMONS FOR DIRECTION NO. 503 OF 2010

Bajaj Hindusthan Limited

...Petitioner Company
(Transferee Company)

Mr. Virag Tulzapurkar with Mr. Arif Doctor i/b M/s. Junnarkar & Associates, Advocates for the Petitioners in both Petitions.

Dr. T. Pandian, Deputy Official Liquidator, in CSP. No. 578 of 2010.

Ms. Purnima Awasthi i/b Mr. H.P. Chaturvedi for Regional Director in both Petitions.

CORAM: S.J. Vazifdar, J.

DATE: 26th November 2010

P. C.

1. Heard learned Counsel for parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to a Scheme of Amalgamation of Bajaj Hindusthan Sugar and Industries Limited (the “**Transferor Company**”) with Bajaj Hindusthan Limited (the “**Transferee Company**”).
3. Counsel appearing on behalf of the Petitioner Companies has stated that the Petitioner Companies have complied with all the requirements as per directions of this Court and have filed necessary Affidavits of compliance in Court. Moreover, the Petitioner Companies through their Counsel undertake to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the Rules made thereunder. The undertaking is accepted.
4. The Regional Director has filed an Affidavit stating therein that that the Scheme is not prejudicial to the interest of shareholders and the public. As regards, the observations in paragraph 6 of the Affidavit, Mr. V.V. Tulzapurkar makes a statement that no shares will be issued against interest on the loans. The statement is accepted.
5. The Official Liquidator has filed his Report in Company Scheme Petition No. 578 of 2010 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interests of its members or to the public interest and that the Transferor Company may be ordered to be dissolved.
6. From the material on record, in my opinion the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy. No party concerned has come forward to oppose the Scheme.
7. Since all the requisite statutory compliances have been fulfilled, Company Petitions filed by the Petitioner Companies are made absolute in terms of prayer clauses (a) to (l) of Company Scheme Petition No. 578 of 2010 and (a) to (m) of Company Scheme Petition No. 579 of 2010.
8. A copy of this Order and the Scheme duly authenticated by the Company Registrar, High Court, Bombay, be lodged with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same, within 60 (sixty) days from the date of the Order.

9. The Petitioner Companies in both Company Petitions to pay costs of Rs. 10,000/- each to the Regional Director and the Transferor Company to pay costs of Rs. 10,000/- also to the Official Liquidator. Costs to be paid within 4 (four) weeks from today.
10. Filing and issuance of the drawn up order is dispensed with.
11. All concerned authorities to act on a copy of this Order along with Scheme, duly authenticated by Company Registrar, High Court, Bombay.

Sd/-
(S.J. Vazifdar, J.)

CERTIFIED TO BE A TRUE COPY
this 6th day of Dec. 2010

Sd//-

For Prothonotary and Senior Master

Applied on 29/11/2010
Engrossed on 04/12/2010
Section Writer Sd/-
Follow 4 pg
Examined by Sd/-
Compared with Sd/-
Ready on 06/12/2010
Delivered on 07/12/2010

SCHEME OF AMALGAMATION

Under Sections 391 to 394 of the Companies Act, 1956

OF

Bajaj Hindusthan Sugar and Industries Limited
(“Transferor Company”)

WITH

Bajaj Hindusthan Limited
(“Transferee Company”)

PREAMBLE

A. Description of Companies:

A brief description of the Companies are given below:

- (a) Bajaj Hindusthan Sugar and Industries Limited (“**Transferor Company**”) is a company incorporated under Companies Act, 1956 having its registered office at 2nd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra. The Transferor Company is presently engaged in the business of manufacturing sugar, alcohol and allied products. The Transferor Company has three main divisions viz. Sugar Division, Distillery Division and Co-generation Division and its manufacturing facilities are located in various districts of Eastern Uttar Pradesh. The Transferor Company is a subsidiary of the Transferee Company. The equity shares of the Transferor Company are listed on The Bombay Stock Exchange Limited (“BSE”).
- (b) Bajaj Hindusthan Limited (“**Transferee Company**”) is a company registered under the Companies Act, 1956 having its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra. The Transferee Company is presently engaged in the business of manufacturing sugar, alcohol and allied products. The Transferee Company has three main divisions viz. Sugar Division, Distillery Division and Co-generation Division and its manufacturing facilities are located in various districts of Western and Central Uttar Pradesh. The equity shares of the Transferee Company are listed on the National Stock Exchange of India Limited (“NSE”) and The Bombay Stock Exchange Limited (“BSE”).

B. Rationale for and benefits of the Scheme of Amalgamation:

- a. Both the Transferee Company and the Transferor Company are engaged in similar business of manufacture of sugar, alcohol and allied products. Since the Transferor Company is a subsidiary of the Transferee Company, it is proposed to consolidate the similar business activities of the two companies in one company to create a larger unified entity enabling optimal utilization of resources and synergy of operations. Thus, resulting in better profitability, increased fund mobilisation capacity, enlarged technical resources and enhanced production capacity.
- b. The amalgamation would economise administrative costs of running two companies and will also achieve better administration, operations and management by consolidation, synchronisation, synergisation and restructuring.
- c. The amalgamation will enable the amalgamated company to improve its financials both in the short term as well as long term and have a stronger asset base thereby enabling the amalgamated company to avail of greater borrowings, to expand and grow into a larger organization, reduce vagaries of business cycle and to avail of new opportunities and increase its global visibility.
- d. Integrating and combining the businesses of both the Companies will lead to consolidation of the sugarcane crushing as well as distillery capacities of both Companies with a view to synchronization of business operations in Uttar Pradesh leading to greater and optimal utilization of resources. The amalgamation would enable the amalgamated company to increase value realization of its operations and confer a competitive advantage on the amalgamated company.

In view of the aforesaid, it has been thought fit and advantageous to amalgamate the Transferor Company with the Transferee Company pursuant to a Scheme of Amalgamation under the provisions of Sections 391 to 394 of the Companies Act, 1956.

C. **Parts of the Scheme:**

The Scheme of Amalgamation provides for the transfer and vesting of the entire Undertaking (as defined hereinafter) including all assets, properties and liabilities of the Transferor Company to and in the Transferee Company and for various other matters consequential or otherwise integrally connected with the Scheme.

This Scheme of Amalgamation is divided into the following parts:

- (i) **Part I** deals with definitions of terms used in this Scheme of Amalgamation and the share capital of the Transferor Company and the Transferee Company;
- (ii) **Part II** deals with the transfer of the Undertaking (as defined hereinafter) of the Transferor Company to the Transferee Company;
- (iii) **Part III** deals with issue of Equity Shares by the Transferee Company and incidental matters;
- (iv) **Part IV** deals with general terms and conditions applicable to this Scheme of Amalgamation.

PART I

DEFINITIONS AND SHARE CAPITAL

1. In this Scheme, the following terms shall have the meanings set out below:-
 - 1.1 **“Act”** means the Companies Act, 1956 and includes any statutory re-enactment or modification thereof from time to time;
 - 1.2 **“Appointed Date”** means 1st April 2010 or such other date as may be approved by the High Court;
 - 1.3 **“Effective Date”** means the last of the dates on which the Orders of the High Court sanctioning the Scheme of Amalgamation are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“Scheme taking effect”** shall mean the Effective Date;
 - 1.4 **“Governmental Authority”** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any board, bureau or instrumentality thereof;
 - 1.5 **“High Court”** means the High Court of Judicature at Bombay having jurisdiction in relation to the Transferor Company and the Transferee Company;
 - 1.6 **“Record Date”** means the date to be fixed by the Board of Directors of the Transferee Company or a Committee thereof for reckoning the names of the equity shareholders of the Transferor Company who shall be entitled to equity shares of the Transferee Company on the coming into effect of this Scheme;

- 1.7 **“Scheme”** or **“Scheme of Amalgamation”** means this Scheme of Amalgamation as submitted in the present form to the High Court together with such modification(s), if any, made from time to time as approved or as directed by the High Court;
- 1.8 **“Transferee Company”** or **“BHL”** means Bajaj Hindusthan Limited, a company registered under the Act having its registered office at Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra;
- 1.9 **“Transferor Company”** means Bajaj Hindusthan Sugar and Industries Limited, a company incorporated under the Act having its registered office at 2nd Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra;
- 1.10 **“Undertaking”** in relation to the Transferor Company, shall mean the whole of the undertaking and the entire business of the Transferor Company as a going concern, comprising of:
- (i) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without limitation, leases, tenancies, licences, plant and machinery (whether fixed or moveable), accessories, implements, equipments, tools, vehicles, raw materials, work in progress, finished goods, by-products, furniture, fixtures, office equipment, appliances, power lines, power sanctions, telephones, telexes, facsimile, internet connections, leased line connections and installations, water, utilities, electricity and other services connections, etc.;
 - (ii) All deposits and investments of all kinds (including investments in shares, scrips, stocks, bonds, debentures, debenture stock, units and certificates), cash in hand and balances with banks, loans, advances, contingent rights or benefits, receivables, claims, refunds, reimbursements or earnest moneys paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase assets, lending contracts, rights and benefits under any agreements, benefit of any security arrangements or under any guarantees, reserves, provisions and funds;
 - (iii) All registrations, licences, reversions, powers, authorities, allotments, entitlements, assignments, privileges, sanctions, approvals, licenses, permits, quotas, subsidies, incentives, concessions, exemptions, relaxations, liberties, sanctions, consents, contracts, including benefits, exemptions and incentives arising out of exports or by virtue of any law or programmes or policies of the Government or any municipal or other authority;
 - (iv) All tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under the Central Excise Act (Cenvat Credit), service tax laws, value added tax (VAT), entry tax, purchase tax, sales tax or any other duty or tax or cess or imposts under any Central or State law;
 - (v) All benefits, incentives, exemptions, subsidies, concessions and entitlements under any policies of the Central and / or State Government in particular, the Sugar Industry Promotion Policy 2004 of the Government of Uttar Pradesh, whether in the past, present or future;
 - (vi) All trade and service names and marks, patents, designs, copyrights, software and computer programmes, databases, domain name(s) and rights and other

intellectual property rights of any kind including all applications filed by the Transferor Company for registration of any such rights and the benefits thereof and any assignment thereof or related thereto and all records of any kind;

- (vii) All rights, benefits and other interest, whether held in trust or otherwise, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, possession, power or custody of or in the control of or vested in or granted in favour of or enjoyed by the Transferor Company in connection with or relating to the Transferor Company or its Undertaking and all other interests of all kind and of whatsoever nature, whether in India or abroad;
- (viii) All debts, liabilities (including contingent liabilities), duties, undertakings and obligations of the Transferor Company of any kind, nature and description whatsoever and howsoever arising and the liability of the Transferor Company with respect to Foreign Currency Convertible Bonds (“FCCBs”) issued by the Transferor Company;

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

2.(a) As per the last audited annual accounts of the Transferor Company as on 30th September 2009, the authorised, issued, subscribed and paid-up share capital of the Transferor Company was as under:

	Rs.	Rs.
<u>Authorised Share Capital:</u>		
100,00,00,000 Equity Shares of Re.1/- each	100,00,00,000	100,00,00,000
<u>Issued, Subscribed and Paid-up Share Capital:</u>		
11,80,00,000 Equity Shares of Re.1/- each, fully paid- up	11,80,00,000	11,80,00,000

(b) As on 1st April 2010 and as on date, the authorized, issued, subscribed and paid-up share capital of the Transferor Company remains the same.

3.(a) As per the last audited annual accounts of the Transferee Company as on 30th September 2009, the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

	Rs.	Rs.
<u>Authorised Share Capital:</u>		
30,00,00,000 Equity Shares of Re. 1/- each	30,00,00,000	
50,00,00,000 Unclassified Shares of Re. 1/- each	50,00,00,000	80,00,00,000
<u>Issued, Subscribed and Paid-up Share Capital:</u>		
17,68,57,111 Equity Shares of Re.1/- each	17,68,57,111	17,68,57,111

- (b) As on 1st April 2010, the authorized, issued, subscribed and paid-up share capital of the Transferee Company was, and as on date, the same is, as under :

	Rs.	Rs.
Authorised Share Capital:		
80,00,00,000 Equity Shares of Re. 1/- each	80,00,00,000	80,00,00,000
Issued, Subscribed and Paid-up Share Capital:		
19,13,57,111 Equity Shares of Re. 1/- each	19,13,57,111	19,13,57,111

4. The Scheme shall come into operation from the Appointed Date, but the same shall become effective only from the Effective Date.

PART II

TRANSFER OF UNDERTAKING

5. On the coming into effect of this Scheme and with effect from the Appointed Date, the whole of the Undertaking of the Transferor Company shall, pursuant to the sanction of this Scheme by the High Court and pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Act, be and stand transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company, as a going concern, without any further act, deed, matter or thing and without the execution of any instrument, document or writing, so as to become the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
6. Without prejudice to the generality of Clause 5 above, it is specifically provided that upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act :
- (a) All the assets and properties comprised in the Undertaking, except for the portion dealt with under sub-clause (b) below, of whatsoever nature and wheresoever situate and which are incapable of passing by manual delivery, shall, without any further act or deed or conveyance, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become, the assets and properties of the Transferee Company, subject however to the provisions of Clause 8 hereinbelow, if and so far as applicable.
- (b) With respect to all immovable assets and properties of the Transferor Company, the mutation/ substitution of the title to the immovable properties shall be made and duly recorded in the name of the Transferee Company by the appropriate authorities pursuant to the sanction of the Scheme by the High Court and the Scheme becoming effective in accordance with the terms hereof.
- (c) With respect to such assets and properties of the Transferor Company, as are movable in nature and are capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred and delivered or, as the case may be, endorsed and / or delivered in favour of and to the Transferee Company and shall, thereupon become the assets and properties of the Transferee Company, without requiring any deed or instrument or conveyance for the same.
- (d) All sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, contingent

rights, investments (including investments in shares, scrips, stocks, bonds, debentures, debenture stock, units or certificates) earnest money and deposits with any Government, Semi-Government, local or other authority or body or with any company or other person, shall stand automatically transferred, assigned, endorsed, acknowledged, confirmed in favour of the Transferee Company and made good, paid, held on account of the Transferee Company as the person entitled thereto and appropriate noting, endorsement, acknowledgement, entry shall be passed by the concerned person(s), debtor(s), bank(s), depositor(s) or authority(ies). The Transferor Company and/or the Transferee Company shall, if required, give notice in such form as it may deem fit and proper, to the concerned person(s), debtor(s), bank(s) or depositor(s) or authority(ies), as the case may be, to the effect that pursuant to the High Court having sanctioned the amalgamation of the Transferor Company with the Transferee Company the said debts, receivables, bills, credits, loans, advances, bank balances, contingent rights, investments, earnest money and deposits be paid or made good or held on account of or in the name of the Transferee Company as the person entitled thereto and that appropriate entry should be passed in its or their books to record the aforesaid change.

- (e) All registrations, licenses, reversions, powers, authorities, allotments, entitlements, assignments, privileges, sanctions, approvals, licenses, permits, quotas, subsidies, incentives, concessions, exemptions, relaxations, liberties, sanctions, consents, contracts, including benefits, exemptions and incentives arising out of exports or by virtue of any law or programmes or policies of the Government or any municipal or other authority, all tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under the Central Excise Act (Cenvat Credit), service tax laws, value added tax (VAT), entry tax, purchase tax, sales tax or any other duty or tax or cess or imposts under any Central or State law, all benefits, incentives, exemptions, subsidies, concessions and entitlements under any policies of the Central and / or State Government, whether in the past, present or future, granted to or enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or on or after the Appointed Date, shall without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company and the same shall remain valid, effective and enforceable on the same terms and conditions.
 - (f) The benefits, incentives, concessions and exemptions under the Sugar Industry Promotion Policy, 2004 of the Government of Uttar Pradesh to which the Transferor Company is entitled or may become entitled shall stand transferred to and vested in the Transferee Company, as if the Transferee Company had set up the concerned units/made expansions and investment instead of the Transferor Company and the same was available originally to the Transferee Company.
 - (g) All the assets and properties comprised in the Undertaking of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all the assets and properties, which are acquired by the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company and shall under the provisions of Section 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to be transferred to and vested in the Transferee Company upon the coming into effect of this Scheme.
7. Without prejudice to the generality of Clause 5 above, it is specifically provided that on the coming into effect of this Scheme and with effect from the Appointed Date, pursuant

to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act :

- (a) All liabilities of every kind, nature and description of the Transferor Company (other than the liability under the unsecured loan granted by the Transferee Company to the Transferor Company) shall be transferred or be deemed to be transferred to the Transferee Company, without any further act, instrument, deed, matter or thing and the same shall be assumed by the Transferee Company so as to become on and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company and the Transferee Company shall meet, discharge and satisfy the same and further 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.
- (b) All debts, loans (other than the liability under the unsecured loan of Rs. 335,00,00,000 granted by the Transferee Company to the Transferor Company), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), as on the Appointed Date, whether or not provided in the books of the Transferor Company, and all debts or loans raised and liabilities and obligations incurred by the Transferor Company and which arise or accrue against the Transferor Company on or after the Appointed Date till the Effective Date and to the extent they are outstanding on the Effective Date, shall, without any further act, instrument or deed, be and stand transferred to or be deemed to be transferred to the Transferee Company and shall become the debts, loans, liabilities and obligations of the Transferee Company, which shall meet, discharge and satisfy the same and further 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, loans, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- (c) Where any of the liabilities of the Transferor Company as on the Appointed Date have been discharged by the Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been made for and on account of the Transferee Company.
- (d) All debts, loans (other than the liability under the unsecured loan granted by the Transferee Company to the Transferor Company), liabilities and obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), due on the Appointed Date, or which may thereafter become due, between the Transferor Company and the Transferee Company shall, ipso facto, stand discharged and come to an end and there shall be no liability in that behalf on either party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company debts, loans (including the unsecured loan granted by the Transferee Company to the Transferor Company), liabilities and obligations with effect from the Appointed Date.
- (e) Where debentures, bonds (including the FCCBs issued by the Transferor Company) or other debt securities of or issued by the Transferor Company, whether convertible into equity or otherwise, are outstanding on the Effective Date (hereinafter referred to as the "Debt Securities") the same shall, subject to sub-clause (b) of this Clause and pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, deed or instrument become the Debt Securities of or issued by the Transferee Company on the same terms and conditions and all rights, powers,

duties and obligations in relation thereto shall be and stand transferred to or be deemed to be transferred to and shall be exercised by or against the Transferee Company to the same extent as if it were the Transferor Company in respect of the said Debt Securities so transferred. If required, the Transferee Company may issue fresh certificates, in respect of such Debt Securities or, at its option, may make an endorsement on the existing certificates;

- (f) With respect to the FCCBs issued by the Transferor Company, the same shall be deemed to be issued by the Transferee Company on the same terms and conditions and on exercise of the Conversion Option, the Bondholder(s) shall be entitled to shares of the Transferee Company in accordance with the terms of the FCCB Subscription Agreement dated 26th April 2007 executed by the Transferor Company provided that the Conversion Price shall be adjusted in accordance with the terms of the said FCCB Subscription Agreement dated 26th April 2007 as may be mutually agreed between the Transferee Company and the Bondholder(s).
8. (a) In so far as the assets and properties of the Transferor Company are concerned, the securities, charges, encumbrances or liens, if any, (hereinafter referred to as the “Encumbrances”) created at any time prior to the Effective Date, over the assets and properties or any part thereof transferred to the Transferee Company in terms of this Scheme and relating to the Liabilities of the Transferor Company, shall, on and from the Effective Date, without any further act, deed or instrument, continue to relate or attach to such assets and properties or any part thereof of the Transferor Company, but such Encumbrances, if any, shall not relate or attach to any of the other assets and properties of the Transferee Company or any part thereof.
- (b) Without prejudice to sub-clause (a) of this Clause, it is clarified that any reference in any security documents or arrangements to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferee Company, provided always that such Encumbrances, if any, shall extend only to and over those assets and properties of the Transferor Company, which are transferred to and vested in the Transferee Company pursuant to this Scheme and not to any other assets and properties of the Transferee Company.
- (c) The existing securities, encumbrances or liens over the assets and properties of the Transferee Company or any part thereof which relate to any liability, loan, deposit or facility availed of by the Transferee Company shall continue to relate or attach to the assets and properties of the Transferee Company to which the same relate or attach and nothing contained in this Scheme shall operate to enlarge or extend such securities, charges, encumbrances or liens to any of the other assets or properties of the Transferor Company or any part thereof which are transferred to and vested in the Transferee Company under and pursuant to this Scheme.
9. Subject to Clauses 5 to 8, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes with effect from the Appointed Date.
10. On the coming into effect of this Scheme, and subject to the provisions of this Scheme :
- (a) All contracts, deeds, bonds, agreements, memorandums, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favor of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall, subject to the provisions of this Scheme, without any further act,

instrument or deed, continue in full force and effect in favour of or against the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or obligee thereunder.

- (b) All the contracts and agreements entered into by the Transferor Company and all Power Purchase Agreements and other incidental or allied contracts, agreements and/or arrangements entered into by the Transferor Company with UP Power Corporation Ltd. (UPPCL) and state distribution companies or undertakings (DISCOMS or STUs) for sale of surplus power produced by Co-generation Power Units of the Transferor Company shall, without any further act, deed or instrument, stand transferred to the Transferee Company, as if these were originally entered into with the Transferee Company and UPPCL/DISCOMS/STUs and the Transferee Company shall be entitled to raise bills and receive payment towards sale of power in the name of the Transferee Company. The name of the Transferee Company shall stand substituted instead of the Transferor Company in all such contracts, arrangements, agreements and documents without any further act, deed, matter or thing.
11. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, take such actions or enter into or issue or execute deeds, writings, confirmations, assignments, novations, declarations, or other documents with or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company to be carried out or performed.
12. (a) On and from the Appointed Date, all suits, actions and legal proceedings by or against the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and on and from the Effective Date, shall be continued and/or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted and/or were pending and/or arising by or against the Transferee Company.
- (b) If any suit, appeal or other proceedings of whatever nature by or against the Transferor Company be pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the transfer of the Undertaking or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.
13. With effect from the Appointed Date and up to and including the Effective Date:
- (a) The Transferor Company shall carry on and shall be deemed to have carried on its business and activities relating to its Undertaking as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of its Undertaking on account of, and for the benefit of, and in trust for, the Transferee Company.
- (b) All the profits or incomes accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be

treated and be deemed to be and accrue as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.

- (c) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, value added tax, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
 - (d) Any of the rights, powers, authorities and privileges exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
14. With effect from the date of filing of this Scheme with the High Court and upto and including the Effective Date:
- (a) The Transferor Company shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court or if the same is permitted by this Scheme or if prior written consent of the Transferee Company has been obtained.
 - (b) The Transferor Company and the Transferee Company shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner which may, in any way, affect the Share Exchange Ratio (as provided in Clause 16 below), except under any of the following circumstances:
 - (i) by mutual consent of the respective Board of Directors of the Transferor Company and of the Transferee Company; or
 - (ii) On the conversion of any debentures or convertible securities (including FCCBs) already issued; or
 - (iii) as may be permitted under this Scheme.
15. (a) On the coming into effect of this Scheme all the employees of the Transferor Company who are in employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date, without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the Transferor Company. The Transferee Company undertakes to continue to abide by the agreement / settlement, if

any, entered into by the Transferor Company with any employee of the Transferor Company.

(b) The amounts transferred by the Transferor Company towards gratuity, provident fund, pension and/or superannuation fund for the benefit of the employees of the Transferor Company (collectively referred to as the “Funds”) and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company.

(c) In relation to employees of the Transferor Company for whom the Transferor Company is making contributions to the Government Regional Provident Fund, such of the employees who are eligible to become the members of the approved Provident Fund of the Transferee Company (“BHL Provident Fund Trust”), shall become members of the BHL Provident Fund Trust with effect from the Effective Date and the obligation for contribution to such BHL Provident Fund Trust shall be discharged accordingly by the Transferee Company in accordance with the terms thereof. The accumulated amount to the credit of all such employees of the Transferor Company lying with the Government Regional Provident Fund as on the Effective Date shall be transferred to the credit in their respective accounts with the BHL Provident Fund Trust. In relation to employees of the Transferor Company who are not eligible to become members of the BHL Provident Fund Trust, the Transferee Company shall continue to make contributions to the Government Regional Provident Fund and the name of the Transferee Company shall stand substituted for the name of the Transferor Company in the records of the Government Regional Provident Fund.

(d) In relation to employees of the Transferor Company for whom the Transferor Company is making contributions to any third party gratuity or superannuation fund, the name of the Transferee Company shall stand substituted for the name of the Transferor Company for all purposes relating thereto, including relating to the obligation to make contributions to the said funds in accordance with the terms of such funds.

(e) 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 Company shall not vary or modify the terms and conditions of employment of any of its employees, except with the consent of the Transferee Company. The terms of employment of employees of the Transferor Company shall not be adversely affected by virtue of the amalgamation except with the agreement of the concerned employees.

(f) Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clauses 5 to 9, of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company before the Appointed Date or 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART III **ISSUE OF EQUITY SHARES**

16. In consideration of the transfer and vesting of the Undertaking to and in the Transferee Company, on the coming into effect of this Scheme, the Transferee Company shall,

without any further application, act, deed or instrument, issue and allot to each equity shareholder of the Transferor Company holding equity shares of the Transferor Company as on the Record Date or to his / her / its heirs, executors or, as the case may be, successors 1 (one) equity share of Re. 1/- (Rupee One) in the Transferee Company credited as fully paid-up (the “**BHL Shares**”) for every 5 (five) fully paid up equity shares of Re. 1/- (Rupee One) each held by such equity shareholder in the Transferor Company on the Record Date. The ratio in which equity shares of the Transferee Company are to be issued and allotted to the shareholders of the Transferor Company is hereinafter referred as “**Share Exchange Ratio**”.

17. On the coming into effect of the Scheme and as an integral part of the Scheme, (a) the 8,85,00,000 Equity Shares of the face value of Re. 1/- each credited as fully paid-up held by the Transferee Company in the Transferor Company shall not stand cancelled but the same shall be deemed to be held by an independent Trustee or Board of Trustees (the “**Trustee**”) who or which is unrelated to the Promoters of the Transferee Company; and (b) the principal amount of the unsecured loan granted by the Transferee Company to the Transferor Company shall not stand discharged but shall be deemed to be converted into 6,70,00,000 equity shares of the face value of Re. 1/- each of the Transferor Company credited as fully paid and shall be deemed to be held by the aforesaid independent Trustee. Pursuant to Clause 16 of this Scheme, the Transferee Company shall, without any further application, act, deed or instrument, issue and allot directly to the Trustee (i) 1,77,00,000 fully paid-up BHL Shares in accordance with the Share Exchange Ratio in respect of the said 8,85,00,000 equity shares deemed to be held by the Trustee and (ii) 1,34,00,000 fully paid-up BHL Shares in accordance with the Share Exchange Ratio in respect of the said 6,70,00,000 equity shares deemed to be allotted to the Trustee against the unsecured loan of the Transferee Company to the Transferor Company. The Trustee shall hold the aggregate 3,11,00,000 BHL Shares allotted as aforesaid in trust for the benefit of the Transferee Company subject to the powers, provisions, discretions, rights and agreements contained in the Trust Deed to be executed for establishing the aforesaid Trust in compliance with all applicable laws.
18. (a) The Employees Stock Option Plan 2006 framed by the Transferor Company (“**ESOP**”) shall be binding on the Transferee Company on the same terms and conditions except for the following consequential changes pursuant to the Share Exchange Ratio : -
 (i) Entitlement of Equity Shares per Option: “Two (2) equity shares of the Transferee Company” in place of existing “Ten (10) equity shares of the Transferor Company”; and
 (ii) Exercise Price : “Rs.50 per equity share of the face value of Re.1 each of the Transferee Company” in place of existing “Rs.10 per equity share of the face value of Re.1 each of the Transferor Company” ;
 and the Options granted by the Transferor Company under the ESOP scheme shall be deemed to have been granted by the Transferee Company.
- (b) On the coming into effect of the Scheme, the Transferee Company shall in accordance with Clause 16, issue and allot to the Trustees under the ESOP scheme BHL Shares (as defined in Clause 16) in respect of the equity shares held by them in the Transferor Company in accordance with the Share Exchange Ratio and the Trustees shall hold the BHL Shares for the benefit of the eligible employees who shall be entitled thereto in terms of the ESOP scheme. The eligible employees, in whom the Options under the ESOP scheme have vested, shall be entitled to receive the BHL Shares on exercise of their Options at the Exercise Price determined by the Compensation Committee appointed by the Transferee Company. The Compensation Committee shall determine the proportionate number of equity shares of the Transferee Company, which an eligible employee is entitled to against Options vested in him.

- (c) All references in the ESOP Scheme to the Transferor Company shall be construed as references to the Transferee Company and the Board of Directors of the Transferee Company shall appoint a Compensation Committee and entrust it with the authority to administer the ESOP Scheme.
19. On the Scheme becoming effective and as an integral part of the Scheme, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent on the issue of the BHL Shares. It is clarified that no Special Resolution under Section 81(1A) of the Act shall be required to be passed by the Transferee Company in a general meeting for issue of the BHL Shares under this Scheme and on the members of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of BHL Shares of the Transferee Company as provided in this Scheme.
- 20(a). In so far as the issue of BHL Shares pursuant to Clause 16 above is concerned, shareholders of the Transferor Company holding shares in physical form shall have the option, exercisable by notice in writing by them to the Transferee Company on or before the Record Date, to receive the BHL Shares of the Transferee Company either in certificate form or in dematerialized form, in lieu of their shares in the Transferor Company in accordance with the terms hereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the shares of the Transferee Company shall be issued to such members in physical form. Those of the members of the Transferor Company who exercise the option to receive the shares in dematerialized form shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required in the notice provided by such shareholder to the Transferee Company on or before the Record Date. It is only thereupon that the Transferee Company shall issue and directly credit the demat/dematerialized securities account of such member with the BHL Shares of the Transferee Company and the share certificates representing the equity shares of the Transferor Company shall stand automatically and irrevocably cancelled on the issue of BHL Shares by the Transferee Company.
- (b) Each of the members of the Transferor Company holding shares of the Transferor Company in dematerialized form shall have the option, exercisable by notice in writing by them to the Transferee Company on or before the Record Date, to receive the BHL Shares of the Transferee Company either in certificate form or in dematerialized form, in lieu of their shares in the Transferor Company in accordance with the terms hereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the shares of the Transferee Company shall be issued to such members in dematerialized form as per the records maintained by the National Securities Depository Limited and/or Central Depository Services (India) Limited on the Record Date.
- (c) In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Transferor Company, the Board of Directors of the Transferee Company or any Committee thereof shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer as if such changes in the registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor or transferee of equity shares in the Transferor Company, after the effectiveness of this Scheme.
- (d) The BHL Shares to be issued by the Transferee Company pursuant to this Scheme in respect of any equity shares of the Transferor Company 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 held in abeyance by the Transferee Company.

- (e) The BHL Shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Transferee Company and shall, inter-se, rank pari passu in all respect with the then existing equity shares of the Transferee Company, including in respect of dividend, if any, that may be declared by the Transferee Company on or after the Effective Date.
 - (f) The BHL Shares of the Transferee Company issued in terms of this Scheme will be listed and/or admitted to trading on The Bombay Stock Exchange Limited and The National Stock Exchange of India Limited where the shares of the Transferee Company are listed and/or admitted to trading. The Transferee Company shall enter into such arrangements and give such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges. The Promoters of the Transferee Company shall include the Promoters of the Transferor Company on the effectiveness of the Scheme.
 - (g) For the purpose of issue of equity shares to the shareholders of the Transferor Company, the Transferee Company shall, if and to the extent required, apply for and obtain the required statutory approvals and other concerned regulatory authorities for the issue and allotment by the Transferee Company of the BHL Shares.
 - (h) No fractional certificates shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company are entitled on the issue and allotment of BHL Shares by the Transferee Company in accordance with this Scheme. The Board of Directors/Committee of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on issue and allotment of the BHL Shares of the Transferee Company as aforesaid and shall, without any further application, act, instrument or deed, issue and allot such fractional entitlements directly to an individual trustee or a board of trustees or a corporate trustee (the “**said Trustee**”), who shall hold such fractional entitlements with all additions or accretions thereto in trust for the benefit of the respective shareholders to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such fractional entitlements in the market at such price or prices and at such time or times as the said Trustee may in its sole discretion decide and pay to the Transferee Company the net sale proceeds thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.
- 21(a). On coming into effect of this Scheme and as an integral part of the Scheme, the Authorised Share Capital of the Transferor Company shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company and the Authorised Share Capital of the Transferee Company shall stand increased from Rs.80,00,00,000/- (Rupees Eighty Crores only) divided into 80,00,00,000 (Eighty Crores) Equity Shares of the face value of Re.1/- (Rupee One only) each to Rs. 1,80,00,00,000/- (Rupees One Hundred Eighty Crores only) divided into 1,80,00,00,000 (One Hundred Eighty Crores) Equity Shares of the face value of Re.1/- (Rupee One only) each without any further act, instrument or deed. The filing or registration fee and stamp duty already paid by the Transferor Company on its Authorised Share Capital shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any additional or further filing or registration fee or stamp duty on the Authorised Share Capital so increased.

- (b) Pursuant to the provisions of sub-clause (a) above, on the coming into effect of the Scheme, Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand substituted as under : “The Authorised Share Capital of the Company is Rs. 1,80,00,00,000/- (Rupees One Hundred Eighty Crores only) divided into 1,80,00,00,000 (One Hundred Eighty Crores) Equity Shares of Re.1/- (Rupee One) each, with power to increase and reduce the Share Capital of the Company and to divide the shares in the capital for the time being, into several classes and to attach thereto such preferential, deferred, qualified, guaranteed or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions, in such manner as may for the time being be provided in the Articles of Association of the Company.”
- (c) It is clarified that no separate resolution under Section 16 and Section 94 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for increase of the Authorised Share Capital of the Transferee Company and on the members of the Transferee Company approving this Scheme, it shall be deemed that they have approved the increase in the Authorised Share Capital in terms of Section 16 and Section 94 of the Act.
22. On the Scheme becoming effective:
- (a) The Transferee Company shall, on the Appointed Date, record the assets and liabilities of the Transferor Company at their respective fair values and record the beneficial interest in Trust pursuant to Clause 17 above at the book value of the underlying assets.
- (b) The Transferee Company shall transfer the balance in the “Molasses Reserve Account” appearing in the books of the Transferor Company, as on the Appointed Date, being a statutory reserve, to the similar reserve account in the books of the Transferee Company.
- (c) The excess or deficit of the value of net assets determined as per Sub-clause (a) above and the reserve as per Sub-clause (b) above over the paid-up value of the BHL Shares to be issued and allotted to the members of the Transferor Company (including the BHL Shares to be issued and allotted in Trust to the independent Trustee under Clause 17) pursuant to the Scheme net of all the costs and expenses incurred, whether of the Transferor Company or the Transferee Company incidental to this Scheme including expenses in connection with all advisory fees, stamp duty charges, meeting expenses, professional fees, consultant fees and expenses, traveling, conveyance, accommodation, etc., attributable to the implementation of the Scheme, borne by the Transferee Company shall be transferred to "Amalgamation Reserve Account" and the balance in this Account, after considering the effect of sub-clause (d) below, if credit, shall be credited to the “Securities Premium Account” and if debit, shall be treated as “Goodwill” in the books of the Transferee Company.
- (d) Pursuant to the sanction of the High Court to this Scheme, the Board of Directors of the Transferee Company shall re-assess its assets and liabilities at their respective fair values, as on the Appointed Date and the difference, if any, shall be transferred to the "Amalgamation Reserve Account”.
- 23(a). Any tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Act, 1956, applicable State value added tax laws or other applicable laws/regulations dealing with taxes/duties/levies (hereinafter in this Clause referred to as “**Tax Laws**”) allocable or related to the business of the Transferor Company, to the extent not provided for or covered by tax provisions in the

accounts of the Transferor Company, made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source (TDS) as on the date immediately preceding the Appointed Date will also be transferred to the Transferee Company.

- (b) Any refund under the Tax Laws due to the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
 - (c) The Transferee Company shall be entitled to tax benefits under Section 72A and Section 115JB or any other applicable provisions of the Income Tax Act, 1961 towards brought forward losses, unabsorbed depreciation and Minimum Alternate Tax of the Transferor Company against taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy all the tax benefits/ concessions provided to or enjoyed by the Transferor Company under applicable laws and regulations and under notifications and circulars issued thereunder.
 - (d) The Transferee Company shall be entitled to revise its tax returns and related TDS returns/certificates and to claim refunds, advance tax credits, etc. and its right to make such revisions and to make such claims is expressly reserved.
- 24(a). With effect from the date of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor Company and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their respective shareholders as on the respective record dates for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividends, if any, declared by the Transferee Company prior to the Effective Date. On and from the date of filing this Scheme with the High Court and until the Effective Date, the Transferor Company shall declare a dividend only after prior consultation with the Transferee Company.
- (b) Until the coming into effect of this Scheme, the holders of shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including their right to receive dividend.
 - (c) It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Transferor Company and Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

PART IV **GENERAL TERMS AND CONDITIONS**

- 25. Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up.
- 26. Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and the borrowing limits approved by the shareholders of the Transferor Company under Section

- 293(1)(d) of the Act and upper monetary or other limits imposed by resolutions passed under any other applicable provisions of the Act, shall be added to the limits, if any, imposed under like resolutions passed by the Transferee Company or, as the case may be, be deemed to be the borrowing or other limits of the Transferee Company and accordingly, such aggregate limits or, as the case may be, limits shall constitute the limits in the Transferee Company.
- 27(a). The Transferor Company and the Transferee Company by their respective Boards of Directors or any Committees thereof or any Director authorised in that behalf (hereinafter referred to as the “**Delegate**”) may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the High Court or any authorities under law may deem fit to approve of or which the High Court or any authorities under law may impose and which the Transferor Company and the Transferee Company may in their discretion accept or such modifications or amendments or additions as the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may consider necessary for the proper working of, or for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme and which may be approved by the High Court and the Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of any conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions imposed by the High Court or any authorities are found unacceptable by the Transferor Company or the Transferee Company for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegate of the respective Companies.
- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders, depositors or debenture holders of the Transferor Company) or to review the position relating to the satisfaction of any conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
28. In the event that any part or provision contained in this Scheme is incapable of being given effect to for any reason whatsoever, then such part or provision shall not affect the remaining parts or provisions of this Scheme and such part or provision which is incapable of being given effect to shall be deemed to be deleted from the Scheme.
29. The Transferor Company and the Transferee Company shall with all reasonable despatch, make and file all applications and/or petitions under Sections 391 to 394 and other applicable provisions of the Act before the High Court for sanction of this Scheme and for the dissolution without winding up of the Transferor Company under the provisions of law, and shall apply for such approvals as may be required under law.
- 30(a). The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for consents and approvals

- which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.
- (b) The Transferee Company shall make all necessary applications and comply with all requirements of Clause 40A of the Listing Agreement executed by the Transferee Company with the Stock Exchanges.
31. The Transferor Company and the Transferee Company shall also apply for and obtain such consent and approval as may be required under applicable law or contract to the extent necessary to give effect to the Scheme.
32. This Scheme is conditional upon and subject to:
- (i) The Scheme being agreed to by the requisite majority of the members and creditors of the Transferor Company and of the Transferee Company and by such other persons as may be required under the Act and as may be directed by the High Court;
- (ii) The certified copies of the Orders of the High Court sanctioning this Scheme being filed by the Transferor Company and the Transferee Company with the Registrar of Companies.
33. In the event of this Scheme failing to take effect finally by 30th September 2011 or by such later date as may be agreed by the Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company, this Scheme shall become null and void and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs, charges and expenses or as may be mutually agreed.
34. All costs, charges and expenses (including stamp duty, taxes and duties) of or payable by the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

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True Copy  
Junnarkar & Associates  
Sd/-  
Partner  
Advocates, Solicitor & Notary

True Copy  
Sd/-  
M. D. Narvekar  
Company Registrar  
HIGH Court (O.S.)  
Bombay

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 578 OF 2010  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO.502 OF 2010

In the matter of the Companies Act, 1956;

-And-

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

-And-

In the matter of the Scheme of Amalgamation of Bajaj Hindusthan Sugar and Industries Limited

with

Bajaj Hindusthan Limited ...Petitioner Company

**Authenticated copy of Minutes of Order dated 26<sup>th</sup> November 2010 alongwith Scheme of Amalgamation**

Dated this 6<sup>th</sup> day of December, 2010.

Applied on 09-12-2010  
Engrossed on 09-12-2010  
Section Writer \_\_\_\_\_  
Follow \_\_\_\_\_  
Examined by Sd/- \_\_\_\_\_  
Compared with Sd/- \_\_\_\_\_  
Ready on 21-12-2010  
Delivered on 21-12-2010

M/s. Junnarkar & Associates,  
Advocates for the Petitioner Company,  
311/312, Embassy Centre,  
Nariman Point, Mumbai – 400 023.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 567 OF 2012  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 390 OF 2012**

BAJAJ ECO-TEC PRODUCTS LIMITED  
...Petitioner/Transferor Company

AND

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 568 OF 2012  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION NO. 391 OF 2012**

BAJAJ HINDUSTHAN LIMITED  
...Petitioner/Transferee Company

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

And

In the matter of the Scheme of  
Amalgamation

Of

Bajaj Eco-Tec Products Limited,

With

Bajaj Hindusthan Limited

Mr. Mangal Bhandari a/w Raju M. Jain Advocates for the Petitioners in  
both the Petitions.

Mrs. R. N. Sutar, Asst. Official Liquidator present in Company Scheme  
Petition No. 567 of 2012.

Mr. C. J. Joy with Mr. P. Khosla, i/b Dr. T. C. Kaushik for Regional Director in both the Petitions.

CORAM: S. J. Kathawalla, J

DATE: 14<sup>th</sup> September, 2012

P.C.:

1. Heard learned Counsel for the parties.
2. The sanction of the Court is sought under Sections 391 to 394 of the Companies Act, 1956 to a Scheme of Amalgamation of BAJAJ ECO-TEC PRODUCTS LIMITED, with BAJAJ HINDUSTHAN LIMITED.
3. 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, Petitioner through their counsel 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.
4. The Regional Director has filed an Affidavit stating therein that save and except as stated in Paragraph 6 of the Affidavit, it appears that the Scheme is not prejudicial to the interest of the Shareholders and Public. In Paragraph 6 it is stated that:  
  
“That the Deponent further submits that, clause 13 (d) of the Scheme deals with the change in the objects of the Memorandum of Association of the Transferee Company. In this connection, the Transferee

Company may be directed to comply with the provisions of Section 40 read with Section 18 of the Act and to file amended copy of the Memorandum of Association alongwith Form No. 21 with the Registrar of Companies.

5. As far as the contents of the Paragraph 6 of the Affidavit of Regional Director is concerned, the Transferee Company through its Counsel undertakes to comply with provisions of Section 40 read with Section 18 of the Act and to file amended copy of the Memorandum of Association alongwith Form No. 21 with the Registrar of Companies. The said undertaking is accepted.

6. The Official Liquidator has filed a report in the aforesaid Company Scheme Petition stating therein that the Affairs of the Transferor Company have been conducted in a proper manner and that the Transferor Companies may be ordered to be dissolved.

7. 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.

8. Since all the requisite statutory compliances have been fulfilled, the Company Scheme Petition Nos. 567 of 2012 and 568 of 2012 is made absolute in terms of prayer Clause (a) of the respective Petitions.

9. The Petitioner Companies to lodge a copy of this order and the Scheme, duly authenticated by the Company Registrar, High Court,

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.

10. Petitioners 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 within 30 days from the date of issuance of the order by the Registry.

11. The Petitioners in both the Company Scheme Petitions to pay cost of Rs. 10,000/- each to the Regional Director, Western Region, Mumbai. Petitioner in Company Scheme Petition No. 567 of 2012, to pay sum of Rs.10,000/- to the Official Liquidator, High Court, Bombay, Costs to be paid within four weeks from today.,

12. Filing and issuance of the drawn up order is dispensed with.

13. All concerned authorities to act on a copy of this order along with Scheme duly authenticated by the Company Registrar, High Court, Bombay.

Sd/-  
(S. J. KATHAWALLA.J)

TRUE COPY  
Dated 1.10.2012

TRUE COPY  
Dated 29/9/2012

Sd/-  
Mrs. K. M. RANE  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

Sd/-  
Section Officer  
HIGH COURT, Appellate Side,  
Bombay

**SCHEME OF AMALGAMATION**

**Under Sections 391 to 394 of the Companies Act, 1956**

**of**

**Bajaj Eco-Tec Products Limited  
("Transferor Company")**

**WITH**

**Bajaj Hindusthan Limited  
("Transferee Company")**

## **PREAMBLE**

### **A. Description of Companies:**

A brief description of the Companies is given below:

- (a) Bajaj Eco-Tec Products Limited (“**Transferor Company**”) is a Company registered under the Companies Act, 1956 having its registered office at Bajaj Bhawan, Jammalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra. The Transferor Company is presently engaged in the business of manufacturing particle boards (PB) and medium density fiber boards (MDF) and allied products. The Transferor Company has three manufacturing units in Uttar Pradesh at Kinauni, Palia Kalan and Kunderkhi and is a wholly owned subsidiary of the Transferee Company.
- (b) Bajaj Hindusthan Limited (“**Transferee Company**”) is a Company within the meaning of the Companies Act, 1956 having its registered office at Bajaj Bhawan, 2<sup>nd</sup> Floor, Jammalal Bajaj Marg, 226, Nariman Point, Mumbai – 400021, Maharashtra. The Transferee Company is presently engaged in the business of manufacturing sugar, alcohol and allied products. The Transferee Company has three main divisions viz. Sugar Division, Distillery Division and Power Division and its manufacturing facilities are located in various districts of Uttar Pradesh. The equity shares of the Transferee Company are listed on the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”).

### **B. Rationale for and benefits of the Scheme of Amalgamation:**

- (a) The Transferor Company is engaged in the business of manufacturing of Medium Density Fiber (MDF) and Particle Boards (PB) from bagasse, which is a by-product obtained during the sugarcane crushing process. The amalgamation shall result into synergy and integration of the manufacturing processes of these products with that of the Transferee Company.
- (b) By amalgamation of the Transferor Company with the Transferee Company, objective and competitive pricing policy can be introduced for PB and MDF products thereby securing better turnover and market shares for the products resulting into better value addition in aggregate.
- (c) The amalgamation would minimize the impact of tax outgoings on the prices of these products and reduced costs of supervision and management, resulting into cost economies and efficiencies in the operations, thus a better profitability and competitiveness.
- (d) The amalgamation of the Transferor Company, which is a wholly owned subsidiary of the Transferee Company, shall economise on the cost of management of the affairs and



operations presently carried out under the Transferor Company and also present consolidated and better view of the entire spectrum of business operations of the Transferee Company in its financial statements.

- (e) The amalgamation will enable the amalgamated company to improve its financials both in the short term as well as long term and enable them to reduce vagaries of business cycle and to avail of new opportunities.

In view of the aforesaid, it has been thought fit and advantageous to amalgamate the Transferor Company with the Transferee Company pursuant to a Scheme of Amalgamation under the provisions of Sections 391 to 394 of the Companies Act, 1956.

### **C. Parts of the Scheme:**

The Scheme of Amalgamation provides for the transfer and vesting of the entire Undertaking (as defined hereinafter) including all assets, properties and liabilities of the Transferor Company in the Transferee Company and for various other matters consequential or incidental or otherwise integrally connected with the Scheme.

This Scheme of Amalgamation is divided into the following parts:

- (i) **Part I** deals with definitions of terms used in this Scheme of Amalgamation and the share capital of the Transferor Company and the Transferee Company;
- (ii) **Part II** deals with the transfer of the Undertaking (as defined hereinafter) of the Transferor Company to the Transferee Company;
- (iii) **Part III** deals with cancellation of Paid Up Share Capital of the Transferor Company and Alteration/ Amendments to the Memorandum of Association of the Transferee Company;
- (iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company; and
- (v) **Part V** deals with general terms and conditions applicable to this Scheme of Amalgamation

## **PART I**

### **DEFINITIONS AND SHARE CAPITAL**

1. In this Scheme, the following terms shall have the meanings set out below:-
  - 1.1 **“Act”** means the Companies Act, 1956 and includes any statutory re-enactment or modification thereof from time to time;
  - 1.2 **“Appointed Date”** means April 1, 2012 or such other date as may be approved by the High Court;
  - 1.3 **“Effective Date”** means the last of the dates on which the Orders of the High Court sanctioning the Scheme of Amalgamation are filed with the Registrar of Companies by the Transferor Company and by the Transferee Company. Any references in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“Scheme taking effect”** shall mean the Effective Date;
  - 1.4 **“Governmental Authority”** means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any board, bureau or instrumentality thereof;
  - 1.5 **“High Court”** means the High Court of Judicature at Bombay having jurisdiction in relation to the Transferor Company and the Transferee Company;
  - 1.6 **“Scheme”** or **“Scheme of Amalgamation”** means this Scheme of Amalgamation as submitted in the present form to the High Court together with such modification(s), if any, made from time to time as approved or as directed by the High Court;
  - 1.7 **“Transferee Company”** or **“BHL”** means Bajaj Hindusthan Limited, a company within the meaning of the Act having its registered office at Bajaj Bhawan, 2<sup>nd</sup> Floor, Jammalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra;
  - 1.8 **“Transferor Company”** or **“BETPL”** means Bajaj Eco- Tec Products Limited, a company incorporated under the Act having its registered office at, Bajaj Bhawan, Jammalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021, Maharashtra;
  - 1.9 **“Undertaking”** in relation to the Transferor Company, shall mean the whole of the undertaking and the entire business of the company as a going concern comprising of:
    - (a) all assets and properties of the Transferor Company as on the Appointed Date i.e. all the undertakings, the entire business, all the properties movable or intangible, offices, residential and other premises, capital work in progress, furniture, fixture, office equipment, investments of all kinds and in all forms, cash balances with banks, loans, advances, contingent rights or benefits, receivables, benefit of any deposits, financial assets, benefit of any security arrangements, reversions, powers, authorities,

allotments, approvals, permissions, permits, rights, entitlements, guarantees, authorizations, approvals, agreements, contracts, licenses, registrations, tenancies, benefits of all taxes, right to carry forward and set off unabsorbed losses and depreciation, privileges and rights under State tariff regulations and under various laws; avail of telephones, telexes, facsimile, email, interest, electricity and other services, reserves, provisions, funds, benefits of all agreements, all records, files, papers, computer programmes, manuals, data, and other records, and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company or which have accrued to the Transferor Company as on the Appointed Date, whether in India or abroad, of whatsoever nature and wherever situated (hereinafter referred to as the "Assets");

- (b) all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as the "Liabilities");
- (c) all earnest monies and/or security or other deposits paid by the Transferor Company.

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

2.(a) As per the last audited annual accounts of the Transferor Company as on March 31, 2011, the authorised, issued, subscribed and paid-up share capital of the Transferor Company was as under:

|                                                                                                               | <b>Rs.</b>   | <b>Rs.</b>          |
|---------------------------------------------------------------------------------------------------------------|--------------|---------------------|
| <b><u>Authorised Share Capital:</u></b>                                                                       |              |                     |
| 2,10,00,000 Equity Shares of Rs.10/- each                                                                     | 21,00,00,000 |                     |
| 7,00,00,000 Preference Shares of Rs. 10/- each                                                                | 70,00,00,000 | <b>91,00,00,000</b> |
| <b><u>Issued, Subscribed and Paid-up Share Capital:</u></b>                                                   |              |                     |
| 1,15,00,000 Equity Shares of Rs.10/- each, fully paid- up                                                     | 11,50,00,000 |                     |
| 1,00,00,000 7 % Cumulative Redeemable Preference Shares of Rs.10/- each, fully paid-up                        | 10,00,00,000 |                     |
| 6,00,00,000 7 % Optionally Convertible Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid up | 60,00,00,000 | <b>81,50,00,000</b> |

(b) As on April 1, 2012 and as on date, the authorized, issued, subscribed and paid-up share capital of the Transferor Company remains the same.

3.(a) As per the last audited annual accounts of the Transferee Company as on September 30, 2011, the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

|                                                          | <b>Rs.</b>    | <b>Rs.</b>           |
|----------------------------------------------------------|---------------|----------------------|
| <b><u>Authorised Share Capital:</u></b>                  |               |                      |
| 180,00,00,000 Equity Shares of Re. 1/- each              | 180,00,00,000 | <b>180,00,00,000</b> |
|                                                          |               |                      |
| <b><u>Issued Share Capital:</u></b>                      |               |                      |
| 68,50,71,333 Equity Shares of Re. 1/- each fully paid up | 68,50,71,333  | <b>68,50,71,333</b>  |
|                                                          |               |                      |
| <b><u>Subscribed and Paid-up Share Capital</u></b>       |               |                      |
| 22,83,57,111 Equity Shares of Re. 1/- each fully paid up | 22,83,57,111  | <b>22,83,57,111</b>  |

(b) As on April 1, 2012 and as on date the authorized, issued, subscribed and paid-up share capital of the Transferee Company was as under:

|                                                                 | <b>Rs.</b>    | <b>Rs.</b>           |
|-----------------------------------------------------------------|---------------|----------------------|
| <b><u>Authorised Share Capital:</u></b>                         |               |                      |
| 180,00,00,000 Equity Shares of Re. 1/- each                     | 180,00,00,000 | <b>180,00,00,000</b> |
|                                                                 |               |                      |
| <b><u>Issued Share Capital:</u></b>                             |               |                      |
| 68,50,71,333 Equity Shares of Re. 1/- each fully paid up        | 68,50,71,333  | <b>68,50,71,333</b>  |
|                                                                 |               |                      |
| <b><u>Subscribed and Paid-up Share Capital</u></b>              |               |                      |
| <b>63,93,99,911</b> Equity Shares of Re. 1/- each fully paid up | 63,93,99,911  | <b>63,93,99,911</b>  |

4. The Scheme shall come into operation from the Appointed Date, but the same shall become effective only from the Effective Date.

## **PART II**

## **TRANSFER OF UNDERTAKING**

- 5.1 With effect from the Appointed Date and upon this Scheme coming into effect, the Transferor Company shall stand merged with and be vested in the Transferee Company, as a going concern, without any further act or instrument and pursuant to the provisions of Sections 391 to 394 of the Act, together with all the properties, assets, rights, liabilities, benefits and interest therein, as more specifically described in the subsequent clauses of this Scheme.
- 5.2 With effect from the Appointed Date, the entire business and the whole of the Undertaking of the Transferor Company shall, without any further act or deed, be and stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company as a going concern, pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Act, PROVIDED that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company, which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise. The transfer/vesting as aforesaid shall be subject to the existing charges/hypothecation over or in respect of the Assets or any part thereof of the Transferor Company. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferor Company. PROVIDED ALSO that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security after the amalgamation has become effective or otherwise. Further, the Transferee Company shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or other financial assistance availed /to be availed by the Transferee Company. With effect from the Appointed Date, all trade and service names and marks, patents, designs, copyrights, software and computer programmes, databases, domain name(s) and rights and other intellectual property rights of any kind including all applications filed by the Transferor Company for registration of any such rights and the benefits thereof and any assignment thereof or related thereto and all records of any kind shall, without any further act or deed, be and stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company.
- 5.3 With effect from the Appointed Date, and subject to any corrections and adjustments as may be required, in the opinion of the Board of Directors of the Transferee Company, the Reserves and Surplus if any, of the Transferor Company will be merged with those of the Transferee

Company in the same form and nomenclature as they appeared in the financial statements of the Transferor Company.

- 5.4 Any legal or other proceedings by or against the Transferor Company pending on the Effective Date and relating to the Undertaking (including property rights, powers, liabilities, obligations and duties) of the Transferor Company, shall be continued and enforced by or against the Transferee Company, in the same manner and to the same extent as it would or might have been continued and enforced by or against the Transferor Company.
- 5.5 It is expressly provided that in respect of such of the assets of the Transferor Company as are moveable in nature or are otherwise capable of being transferred by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company, by physical delivery and shall become the property of the Transferee Company pursuant to the provisions of Sections 391 to 394 of the Act.
- 5.6 With effect from the Appointed Date, all liabilities, debts, duties and obligations of the Transferor Company, other than those mentioned in clause 5.8, shall without any further act or deed, also stand transferred to the Transferee Company, pursuant to the applicable provisions of the Act, so as to become as from the Appointed Date, the liabilities, debts, duties and obligations of the Transferee Company.
- 5.7 All inter party transactions between the Transferor Company and the Transferee Company as may be outstanding on the Appointed Date or which may take place subsequent to the Appointed Date and prior to the Effective Date, shall be considered as intra party transactions for all purposes from the Appointed Date. Any loans or other obligations, if any, due inter-se i.e. between the Transferor Company and the Transferee Company as on the Appointed Date, and thereafter till the Effective Date, shall stand automatically extinguished.
- 5.8 With effect from appointed date, right of Transferee Company to claim accumulated dividend on Cumulative Preference Shares held by it in the Transferor Company shall stand automatically extinguished.
6. On coming into effect of this scheme and subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, leases, insurance policies and other instruments of whatsoever nature relating to the Undertaking to which the Transferor Company is a party and subsisting or having effect on or before the Effective date shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and effectually, as if, instead of the Transferor Company, the Transferee Company had at all material times been a party thereto.

7. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, take such actions or enter into or issue or execute deeds, writings, confirmations, assignments, novations, declarations, or other documents with or in favour of any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, be deemed to be authorised to execute any such writings on behalf of the Transferor Company, and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company to be carried out or performed.
8. If any suit, writ petition, appeal, revision or other proceedings of whatever nature before any court or tribunal or any other forum (hereinafter called the "Proceedings") by or against the Transferor Company, be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of respective Undertaking of the Transferor Company, or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against the Transferor Company as if the Scheme had not been made.
9. With effect from the Appointed Date and up to and including the Effective Date:
  - (a) The Transferor Company shall carry on and shall be deemed to have carried on its business and activities relating to its Undertaking as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of its Undertaking on account of, and for the benefit of, and in trust for, the Transferee Company.
  - (b) All the profits or incomes accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or as the case may be, expenditure or losses (including taxes) of the Transferee Company.
  - (c) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, value added tax, etc.) paid or payable by the Transferor Company, in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Company, and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, value added tax, etc.) whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company, in

respect of the profits or activities or operation of the business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.

- (d) Any of the rights, powers, authorities and privileges exercised by or available to the Transferor Company, shall be deemed to have been exercised by the Transferor Company, for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company, shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
10. With effect from the date of filing of this Scheme with the High Court and upto and including the Effective Date:
- (a) The Transferor Company shall preserve and carry on its business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court or if the same is permitted by this Scheme or if prior written consent of the Transferee Company has been obtained.
  - (b) The Transferor Company and the Transferee Company shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, except under any of the following circumstances:
    - (i) by consent of the respective Board of Directors of the Transferor Company and the Transferee Company; or
    - (ii) as may be permitted under this Scheme.
- 11.(a) On the coming into effect of this Scheme all the employees of the Transferor Company, who are in employment as on the Effective Date shall become the employees of the Transferee Company with effect from the Effective Date, without any break or interruption in service and on the same terms and conditions as to employment and remuneration on which they are engaged or employed by the Transferor Company. The Transferee Company undertakes to continue to abide by the agreement / settlement, if any, entered into by the Transferor Company with any of its respective employees.



- (b) The amounts transferred by the Transferor Company towards gratuity, provident fund, pension and/or superannuation fund for the benefit of the employees of Transferor Company (collectively referred to as the “Funds”) and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permission and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company.
- (c) In relation to employees of the Transferor Company for whom the Transferor Company are making contributions to the Government Regional Provident Fund, such of the employees who are eligible to become the members of the approved Provident Fund of the Transferee Company (“**BHL Provident Fund Trust**”), shall become members of the BHL Provident Fund Trust with effect from the Effective Date and the obligation for contribution to such BHL Provident Fund Trust shall be discharged accordingly by the Transferee Company in accordance with the terms thereof. The accumulated amount to the credit of all such employees of the Transferor Company lying with the Government Regional Provident Fund as on the Effective Date shall be transferred to the credit in their respective accounts with the BHL Provident Fund Trust. In relation to employees of the Transferor Company who are not eligible to become members of the BHL Provident Fund Trust, the Transferee Company shall continue to make contributions to the Government Regional Provident Fund and the name of the Transferee Company shall stand substituted for the name of the Transferor Company, in the records of the Government Regional Provident Fund.
- (d) In relation to employees of the Transferor Company for whom the Transferor Company are making contributions to any third party gratuity or superannuation fund, the name of the Transferee Company shall stand substituted for the name of the Transferor Company, for all purposes relating thereto, including relating to the obligation to make contributions to the said funds in accordance with the terms of such funds.
- (e) 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 Company shall not vary or modify the terms and conditions of employment of any of its employees, except with the consent of the Transferee Company. The terms of employment of employees of the Transferor Company shall not be adversely affected by virtue of the amalgamation except with the agreement of the concerned employees.
- (f) Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clauses 5 to 9, of this Scheme shall not affect any transactions or

proceedings already concluded by the Transferor Company, as the case may be, before the Appointed Date or 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 made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

### **PART III**

#### **CANCELLATION OF PAID UP SHARE CAPITAL OF TRANSFEROR COMPANY AND ALTERATION/ AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF THE TRANSFEE COMPANY**

12. The entire issued, subscribed and paid-up Equity & Preference Share Capital of the Transferor Company is held by the Transferee Company and its nominees. Upon the Scheme becoming effective, no Equity Shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and the Equity & Preference Share Capital of the Transferor Company shall stand cancelled. Upon the coming into effect of this Scheme, the share certificates, if any, and Equity and Preference Shares representing the Equity and Preference Shares held by the Transferee Company in the Transferor Company shall stand cancelled, without any further act, instrument or deed for cancellation thereof by the Transferee Company.
- 13.(a). On coming into effect of this Scheme, and as an integral part of the Scheme, the Authorised Share Capital of the Transferor Company shall stand transferred to and combined with the Authorised Share Capital of the Transferee Company. The Authorised Share Capital of the Transferee Company shall stand increased from Rs.180,00,00,000/- (Rupees One Hundred and Eighty Crore only) divided into 180,00,00,000 (One Hundred and Eighty Crore) Equity Shares of the face value of Re.1/- (Rupee One only) each to Rs. 271,00,00,000/- (Rupees Two Hundred and Seventy One Crore only) divided into 271,00,00,000 (Two Hundred and Seventy One Crore) Equity Shares of the face value of Re.1/- (Rupee One only) each without any further act, instrument or deed. The filing or registration fee and stamp duty already paid by the Transferor Company on its Authorised Share Capital shall be deemed to have been paid by the Transferee Company and accordingly, the Transferee Company shall not be required to pay any additional or further filing or registration fee or stamp duty on the Authorised Share Capital so increased.
- (b) Pursuant to the provisions of sub-clause (a) above, on the coming into effect of the Scheme, Clause V of the Memorandum of Association of the Transferee Company shall, without any further act, instrument or deed, be and stand substituted as under : “The Authorised Share

Capital of the Company is Rs. 271,00,00,000/- (Rupees Two Hundred and Seventy One Crore only) divided into 271,00,00,000 (Two Hundred and Seventy One Crore) Equity Shares of Re.1/- (Rupee One) each, with power to increase and reduce the Share Capital of the Company and to divide the shares in the capital for the time being, into several classes and to attach thereto such preferential, deferred, qualified, guaranteed or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify or abrogate any such rights, privileges or conditions, in such manner as may for the time being be provided in the Articles of Association of the Company.”

- (c) It is clarified that no separate resolution under Section 16 and Section 94 of the Act shall be required to be passed by the Transferee Company separately in a general meeting for increase of the Authorised Share Capital of the Transferee Company and upon sanction of this Scheme by the Hon’ble High Court, members shall be deemed to have approved the increase in the Authorised Share Capital in terms of Section 16 and Section 94 of the Act.
- (d) With respect to the Transferee Company, upon this Scheme becoming effective, the Memorandum of Association of the Transferee Company shall stand altered and amended by inserting the following clause as sub – clause 3B under Clause III after the existing sub-clause 3A without any further act or deed or following the procedure laid down under the Act:

3B To carry on in India or abroad the business to manufacture, produce, process, prepare, convert, derive, compound, grade, develop, design, press, stitch, mould, fabricate, flex, stretch, stamp, shape, smelt, emboss, print, laminate, manipulate, commercialize, market, distribute, promote, supply, import, export, buy, sell, turn to account and to act as agent, broker, concessionaire, consultant, advisor, job worker, collaborator, franchisers, transporter, stockiest, distributor, export house or otherwise to deal in all varieties, shapes, sizes, capacities, descriptions, dimensions, density of fiber boards, particle boards, card boards, laminates, papers etc. made of or originated from by-products or waste products of other trades and industries, paper, wood, plants or other ecological sources or agricultural products of any kind including but not limited to bagasse pulp, wood and bamboo pulp, waste paper pulp, semi-chemical pulp, synthetic pulp and other related pulps used for manufacturing of all kinds of boards and papers, organic or inorganic, biological, ecological or any other formulations, derivatives and compounds there from and other branded preparations and compounds, derivatives and all types of formulations thereof and consumers products manufactured or derivatives based thereon and to cultivate, crush, utilize, buy, sell and deal in

all related seeds, substances, raw materials, ingredients, intermediates, wastes, residues, by-products thereof and to establish, promote, operate & develop forests, nurseries and farms for growing and cultivating plants and trees for captive consumption or otherwise and to carry out research and development related thereto.

#### **PART IV**

#### **ACCOUNTING TREATMENT FOR THE AMALGAMATION IN THE BOOKS OF THE TRANSFEEE COMPANY.**

14. The Transferee Company shall follow the 'Pooling of Interest' method of accounting prescribed under Accounting Standard 14 notified by the National Advisory Committee on Accounting Standards, Ministry of Corporate Affairs vide Notification No. G.S.R. 739(E) dated 07.12.2006, as amended from time to time, which inter alia provides for the following:
  - 14.1 All the assets recorded in the books of account of the Transferor Company subject to clause 14.4 and 14.5 shall be recorded by the Transferee Company at their respective book values.
  - 14.2 All the liabilities recorded in the books of the Transferor Company subject to clause 14.4 and 14.5 shall be recorded by the Transferee Company at their respective book values.
  - 14.3 The identity of the reserves of the Transferor Company, if any, to the extent possible shall be preserved and they shall appear in the Financial Statements of the Transferee Company in the same form and manner, in which they appeared in the Financial Statements of the Transferor Company, prior to this Scheme becoming effective. Accordingly, if prior to this Scheme becoming effective there is any reserve in the Financial Statements of the Transferor Company available for distribution as dividend, the same would also be available in the Financial Statements of the Transferee Company for distribution as dividend on and after the Effective Date.
  - 14.4 In case of any differences in accounting policies between the Transferee Company and the Transferor Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the Financial Statements reflect the financial position on the basis of consistent accounting policies. The impact of the same till the amalgamation will be quantified and adjusted in the Profit & Loss Account
  - 14.5 The amount of any inter-company balances, amounts or investments in the share capital of Transferor Company appearing in the books of the Transferee or Transferor Company, shall stand cancelled without any further act or deed, upon the Scheme coming into effect, and the

amounts so cancelled shall not be recorded in the books of account of the Transferee Company.

- 14.6 The surplus arising between (A) the aggregate values of assets of the Transferor Company transferred and recorded by the Transferee Company in terms of clause 14.1 or cancelled in terms of clause 14.5 after making necessary adjustments as per clause 14.4, and (B) the aggregate of (a) the liabilities of the Transferor Company transferred and recorded by the Transferee Company in terms of clause 14.2 or cancelled in terms of clause 14.5 and (b) reserves of the Transferor Company recorded by the Transferee Company as per clause 14.3, after making necessary adjustments as per clause 14.4 and the cost, charges and stamp duty in respect of this amalgamation shall be credited to the Capital Reserve Account of the Transferee Company. In case of a deficit, as computed above, such deficit shall be debited to the General Reserves of the Transferee Company.
- 15(a). Any tax liabilities under the Income Tax Act, 1961, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws, Central Sales Act, 1956, applicable State value added tax laws or other applicable laws/regulations dealing with taxes/duties/levies (hereinafter in this Clause referred to as “**Tax Laws**”) allocable or related to the business of the Transferor Company, to the extent not provided for or covered by tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date, shall be transferred to the Transferee Company. Any surplus in the provision for taxation/ duties/ levies account including advance tax and tax deducted at source (TDS) as on the date immediately preceding the Appointed Date will also be transferred to the Transferee Company.
- (b) Any refund under the Tax Laws due to the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- (c) The Transferee Company shall be entitled to tax benefits under Section 72A and Section 115JB or any other applicable provisions of the Income Tax Act, 1961 towards brought forward losses, unabsorbed depreciation and Minimum Alternate Tax of the Transferor Company, against taxable profits of the Transferee Company with effect from the Appointed Date. The Transferee Company shall continue to enjoy all the tax benefits/ concessions provided to or enjoyed by the Transferor Company under applicable laws and regulations and under notifications and circulars issued thereunder.
- (d) The Transferee Company shall be entitled to revise its tax returns and related TDS returns/certificates and to claim refunds, advance tax credits, etc. and its right to make such revisions and to make such claims is expressly reserved.

## PART V

### GENERAL TERMS AND CONDITIONS

16. Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up.
17. Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and the borrowing limits approved by the shareholders of the Transferor Company under Section 293(1)(d) of the Act and upper monetary or other limits imposed by resolutions passed under any other applicable provisions of the Act, shall be added to the limits, if any, imposed under like resolutions passed by the Transferee Company or, as the case may be, be deemed to be the borrowing or other limits of the Transferee Company and accordingly, such aggregate limits or, as the case may be, limits shall constitute the limits in the Transferee Company.
- 18 (a). The Transferor Company and the Transferee Company by their respective Boards of Directors or any Committees thereof or any Director authorised in that behalf (hereinafter referred to as the “**Delegate**”) may assent to, or make, from time to time, any modifications or amendments or additions to this Scheme which the High Court or any authorities under law may deem fit to approve of or which the High Court or any authorities under law may impose and which the Transferor Company and the Transferee Company may in their discretion accept or such modifications or amendments or additions as the Transferor Company and the Transferee Company or as the case may be, their respective Delegates may consider necessary for the proper working of, or for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme and which may be approved by the High Court and the Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorised to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of any conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect. In the event that any conditions imposed by the High Court or any authorities are found unacceptable by the Transferor Company or the Transferee Company for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by the Delegate of the respective Companies.
- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegates (acting jointly) of the Transferor Company and

Transferee Company may give and are authorised to determine and give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith or to review the position relating to the satisfaction of any conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.

19. In the event that any part or provision contained in this Scheme is incapable of being given effect to for any reason whatsoever, then such part or provision shall not affect the remaining parts or provisions of this Scheme and such part or provision which is incapable of being given effect to shall be deemed to be deleted from the Scheme.
20. The Transferor Company and the Transferee Company shall with all reasonable dispatch, make and file all applications and/or petitions under Sections 391 to 394 and other applicable provisions of the Act before the High Court for sanction of this Scheme and for the dissolution without winding up of the Transferor Company under the provisions of law, and shall apply for such approvals as may be required under law.
21. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.
22. The Transferor Company and the Transferee Company shall also apply for and obtain such consent and approval as may be required under applicable law or contract to the extent necessary to give effect to the Scheme.
23. This Scheme is conditional upon and subject to:
  - (i) The Scheme being agreed to by the requisite majority of the members and creditors of the Transferor Company and of the Transferee Company and by such other persons as may be required under the Act and as may be directed by the High Court;
  - (ii) The certified copies of the Orders of the High Court sanctioning this Scheme being filed by the Transferor Company and the Transferee Company with the Registrar of Companies.
24. In the event of this Scheme failing to take effect finally by March 31, 2013 or by such later date as may be agreed by the Board of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and be of no effect and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties

or their shareholders or creditors or employees or any other person. In such case, each Company shall bear its own costs, charges and expenses or as may be mutually agreed.

25. All costs, charges and expenses (including stamp duty, taxes and duties) of or payable by the Transferor Company and the Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company

TRUE COPY

Sd/-

Advocate from Petitioner

TRUE COPY

Dated 01/10/2012

Sd/-

Mrs. K. M. RANE

COMPANY REGISTRAR

HIGH COURT (O.S.)

BOMBAY



IN THE HIGH COURT OF JUDICATURE  
AT BOMBAY  
O.O.C.J.  
COMPANY SCHEME PETITION NO.568  
2012  
CONNECTED WITH  
COMPANY SUMMONS FOR DIRECTION  
NO. 391 OF 2012

In the matter of the Companies Act I of 1956;  
AND

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

AND

In the matter of the Scheme of Amalgamation of  
BAJAJ ECO-TEC PRODUCTS LIMITED, the  
Transferor Company with BAJAJ  
HINDUSTHAN LIMITED, the Transferee  
Company.

BAJAJ HINDUSTHAN LIMITED  
..... Petitioner Company

AUTHENTICATED COPY OF ORDER  
DATED 14<sup>TH</sup> SEPTEMBER, 2012  
ALONGWITH SCHEME OF  
AMALGAMATION

Dated this 28<sup>th</sup> Day of September 2012

Applied on 27/09/2012  
Engrossed on 01/10/2012  
Section Writer.....  
Folios.....  
Examined by.....sd/-.....  
Compared with...sd/-.....  
Ready on 01/10/2012  
Delivered on 01/10/2012

Raju M. Jain  
Advocate for Petitioners  
C/o. Vipul Modi Associates  
110 Jolly Bhavan No.1  
10 New Marine Lines