

---

**MEMORANDUM  
AND  
ARTICLES OF ASSOCIATION  
OF  
KESAR ENTERPRISES LIMITED**

---



नाम में तब्दीली के परिणामस्वरूप निगमन के लिए नया प्रमाण-पत्र  
**FRESH CERTIFICATE OF INCORPORATION CONSEQUENT  
 ON CHANGE OF NAME**

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

..... के विषय में ।  
**IN THE MATTER OF THE KESAR SUGAR WORKS LIMITED**

मैं एतद्वारा प्रमाणित करता हूँ कि ..... परिसीमित निगमक  
 निगम मूलतः 19 ..... के ..... के  
 दिन इस \* ..... अधिनियम के अधीन और ..... परिसीमित नाम  
 द्वारा किया गया था, कम्पनी अधिनियम 1956 की धारा 21/22 (1) (क) / 22(1)  
 (ख) के विनियमनों के अनुसार आवश्यक संकल्प पारित कर चुकी और इसकी बाबत  
 केंद्रीय सरकार की लिखित अनुमति कम्पनी कार्य विभाग द्वारा प्रदान कर दी गई है ।

I hereby certify that THE KESAR SUGAR WORKS LIMITED which was  
 originally incorporated on First day of August 1933 under the Indian Com-  
 panies Act, 1913 THE KESAR SUGAR WORKS LIMITED having duly passed  
 the necessary resolution in terms of section 21/22(1)(a)/22(1)(b) of Com-  
 panies Act, 1956, and the approval of the Central Government signified in  
 writing having been accorded thereto in the Department of Company Affairs.

केन्द्रीय निदेशक के तारीख ..... 19 ..... के पत्र सं. ....  
 द्वारा प्राप्त हुआ था उस कम्पनी का नाम इस दिन .....  
 ..... और यह प्रमाण-पत्र उक्त परिसीमित में तब्दील कर दिया गया है  
 अधिनियम की धारा 23 (1) के अनुसार ये जारी किया जाता है ।

Regional Director, WESTERN REGION letter No. RD : 86 (21)8/84  
 dated 29th September, 1984 the name of the said company is this day  
 changed to KESAR ENTERPRISES LIMITED and this certificate is issued  
 pursuant to section 23(1) of the said Act.

मेरे हस्ताक्षर से यह तारीख .....  
 को दिया गया ।

Given under my hand at Bombay this day of Fourth January 1985.  
 (One thousand nine hundred eighty five).



G. P. JAIN  
 कम्पनियों का रजिस्ट्रार  
 Addl. Registrar of Companies  
 Maharashtra, Bombay.

\*यहां पर कम्पनी का वह नाम लिखिए जो कि तब्दीली से पूर्व था ।  
 \* Here give the name of the Company as existing prior to the change.  
 \*यहां पर अधिनियम (अधिनियमों) का नाम लिखिए जिसके अधीन कम्पनी का  
 मूलतः रजिस्ट्रीकरण और निगमन किया गया  
 \* Here give the name of the Acts(a) under which the Company was originally  
 registered and incorporated.

Certificate for Commencement of Business.




Pursuant to section 103 (2) of the Indian Companies Act, 1913.)

I hereby certify that the Kesar Sugar Works Limited

which was incorporated under the Indian Companies Act, 1913, on the first day of August 1933 and which <sup>had filed on 16th October 1933</sup> ~~has this day~~ filed a duly verified declaration in the prescribed form that the conditions of section 103 (1) (a) to (d) of the said Act, have been complied with, <sup>and</sup> ~~is~~ <sup>was</sup> entitled to commence business on 16th October 1933.

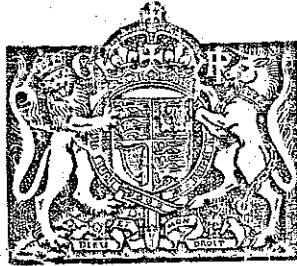
Given under my hand at Bombay  
this Twenty-first day of April

One thousand nine hundred and Fifty-three.

  
(H.V. Varadaraja)  
Registrar of Joint-Stock Companies.  
Bombay.

J. S. C. 35.

M. P. P. Ltd.—C/1465/49 P.J. (M.F.P.)—O.P. 732/471 Dt. 14-12-43—10,000.



47/187  
9/1/33

## Certificate of Incorporation.

No. 1996 of 1933-1934.

I hereby certify that THE KESAR SUGAR WORKS,  
LIMITED

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

Given under my hand at Bombay  
this First day of August  
One thousand nine hundred and Thirty-three.

*K. S. Narayan*

As Registrar of Joint-Stock Companies.

# INDEX

PAGES

1	Memorandum of Association	1	8
2	Articles of Association	9	78
	I. Constitution of the Company	9	11
	II. Capital	11	12
	III. Shares and Shareholders	12	14
	IV. Certificates of Shares	14	15
	V. Calls on shares	15	17
	VI. Forfeiture of and Lien on shares	17	20
	VII. Transfer and Transmission of shares	20	24
	VIII. Increase and re-organisation of capital	24	27
	IX. Reduction of Capital	27	29
	X. Modification of Rights	29	
	XI. General Meetings	29	31
	XII. Proceedings at General Meetings	31	35
	XIII. Votes of Members	35	38
	XIV. Dividends and Capitalisation	38	41
	XV. Accounts	41	43
	XVI. Audit	43	45
	XVII. Directors their qualification and remuneration	45	47
	XVIII. Appointment and rotation of Directors	47	51
	XIX. Vacation of office by directors	51	52
	XX. Proceedings of Directors	52	54
	XXI. Directors' disqualifications	54	55
	XXII. Borrowing Powers of Directors	55	56
	XXIII. Powers of Directors	57	63
	XXIV. Duties of Directors, Managing Agents and Secretaries and Treasurers	64	
	XXV. Managing Directors, Managing Agents and Secretaries and Treasurers	64	65
	XXVI. Secretary	65	
	XXVII. Indemnity to and Protection of Directors and officers	65	66
	XXVIII. The Seal	66	
	XXIX. Notices and service of Documents	66	68
	XXX. Secrecy Clause	68	
	XXXI. Winding-up.	68	69
	Special Resolution	70	77
	Company Petition	79	82

# MEMORANDUM OF ASSOCIATION OF KESAR ENTERPRISES LIMITED

- I. The name of the Company is KESAR ENTERPRISES LIMITED.
- II. The registered office of the company will be situate in Bombay.
- III. The objects for which the Company is established are :—
  - (1) To carry on in any part or parts of India the business of growers and planters of and dealers in and for that purpose to purchase, sell, resell and repurchase and otherwise dispose of and turn to account sugar cane, sugar beets, and any other plants, trees and natural products, and of manufacturers, refiners, distillers, exporters and importers of, and dealers in, and for that purpose to purchase, sell, resell and repurchase and otherwise dispose of and turn to account sugar, gull, molasses, and other saccharine substances, syrups, maida, rum, alcohol, spirits, chemicals, manures, and residual and other products and by products thereof, including food products, and with a view thereto and in connection therewith to acquire by purchase, lease or otherwise lands, fields, gardens, sites and tracts with or without buildings and to cultivate, manage and otherwise develop and maintain the same and to erect mills, factories and other works and conveniences thereon, and to purchase or otherwise acquire plant and machinery therefor.
  - (2) In furtherance of the aforesaid and other the objects of the Company among other things, to purchase, take over, and acquire by assignment, sub-lease or otherwise from Kilachand Devchand and Co., Ltd., in Bareilly and Naini Tal Districts of the United Provinces and in the vicinity and surroundings thereof, and purchased or otherwise acquired or negotiated for being acquired by the said Kilachand Devchand & Co., Ltd., from the proprietors or holders thereof, as also all plant and machinery ordered or contracted or negotiated for being purchased by the said Kilachand Devchand and Co., Ltd., for and on behalf of the Company for the erection of the Company's sugar mills and works at Behari in the United Provinces, and to adopt, take over and carry into effect all contracts, arrangements and negotiations entered into, made or had by the said Kilachand Devchand and Co., Ltd., for or in relation to the construction and erection of the Company's said sugar mills and works and for having a Railway siding to be connected with the Company's said sugar mills and works and all other matters, acts, deeds and things done proceeded with or arranged by the said Kilachand Devchand and Co., Ltd., in connection with the construction and erection of the Company's said sugar mills and works or otherwise howsoever and in relation to the promotion, formation and establishment of the Company and in furtherance of the objects thereof, including all

contracts for the purchase of sugar cane and other produce for the working of the Company's said sugar mills on the same terms, conditions, provisions and covenants as to price, delivery possession, rent, premium, advance payments, period and otherwise on which the said Kilachand Devchand and Co., Ltd., has purchased, taken on lease or otherwise acquired or negotiated for being acquired the said lands and has ordered or contracted or negotiated to purchase or otherwise acquire the said plant and machinery for the Company and has entered into contracts, arrangements and negotiations for or in relation to the construction and erection of the Company's said sugar mills and works and the said Railway siding, and for the purchase of sugar cane and other produce as aforesaid, together with all costs, charges, expenses and other outgoings incurred or paid by the said Kilachand Devchand and Co., Ltd., in relation to the several matters aforesaid and for or in relation to the promotion, formation and establishment of the Company in terms of the Agreement relating thereto to be entered into by the Company with the said Kilachand Devchand and Co., Ltd., being the Agreement (a) referred to in Article 4 of the Articles of Association of the Company, and to enter into and carry into effect, with or without modification, the said Agreement (a), and in that behalf to adopt, enter into, give, execute and become parties to all agreements, guarantees, indemnities, deeds and instrumenta as may be necessary or be deemed advisable or proper.

- (3) To search for and to purchase or otherwise acquire from any Government, State or authority or any other body or person, either absolutely or conditionally, and solely or jointly with others, any tract or tracts of land in India, and any licences, concessions, grants, rights, powers and privileges whatsoever, in connection with such tract or tracts of land or Independent thereof, which may seem to the Company capable of being turned to account or rendered profitable or useful for the Company, and in particular any water rights or concessions, either for the purpose of obtaining motive power or otherwise, and to expend such sums of money as may be deemed requisite and advisable in the exploration, survey and development thereof, and to use, work, develop and turn to account the same.
- (4) To acquire by concession, grant, purchase, barter, lease, license or otherwise either absolutely or conditionally, and either solely or jointly with others, any houses, buildings, mills, factories, distilleries, refineries, and other works and conveniences, with or without lands and hereditaments, and any water-rights, way leaves, and privileges, rights and easements, and any machinery, plant, utensils patents, patent rights or inventions, trademarks or secret processes, and other movable and immovable property of any description in India or elsewhere, and to pay for any such properties, rights and privileges, either in cash or in shares, stocks, debentures, or securities of the Company.

- (5) To hold, use, cultivate, work, operate, manage, improve, carry on and develop the undertaking and resources of the Company and turn to account any lands and real and personal estate or property and assets of any kind belonging to the Company or in which the Company is interested or any part thereof, or any rights over, to or in connection therewith, and to construct, maintain, and alter, any buildings, factories, mills, distilleries, refineries, canals, reservoirs, water-courses, tanks, bridges, markets or other works necessary or convenient for the purposes, of the Company, and in particular by sinking wells and shafts, cleaning, draining, fencing, planting, cultivating, building, improving, farming, irrigating, grazing, and by prompting immigration and emigration and the establishment of villages and settlements.
- (6) To plant, grow, produce, manufacture, buy, sell, warehouse, transport, trade, deal in treat, cure, submit to any process, or manufacture and prepare for the market (whether on account of the Company or others), sugar, cotton, coffee, tea, coconuts, tobacco; India-rubber, guttapercha, balata and other gums, seeds, rice and ali other crops and natural products, and produce, and any other goods, wares, merchandise, articles and things of any kind whatsoever.
- (7) To sell, let, dispose of or grant rights over all or any of the property of the Company, to make experiments in connection with any business of the Company, and to protect any inventions of the Company by letters patent or otherwise and to manufacture plant, machinery, tools, implements, goods, articles and things for the purposes of the business of the Company.
- \* (7a) To carry on the business of manufacturers, exporters, importers of and dealers in commercial, industrial, power and absolute alcohol, wines, liquors, rectified, methylated and sweet spirits, beers, mineral waters, dry ice, carbonic acid gas and goods or things usually or which may be conveniently produced or dealt with in the course of carrying on the foregoing business.
- \*(7b) To carry on the business of handling, pumping, clearing, transporting, treating, stocking and dealing in alcohol, mineral oils, chemicals and other products and to take on lease, purchase or otherwise acquire lands and places which may seem capable of affording suitable sites for establishing, utilising and taking into account pumping stations, storage tanks, pipe lines, warehouses, godowns and other works of convenience suitable for the purpose of the Company.
- \*{7c} To carry on the business of manufacturers, extractors, refiners, processors, importers and exporters of and dealers in chemicals and chemical products of all kinds including heavy chemicals, fine and speciality chemicals, petro chemicals, synthetic chemicals, organic, microbiological, pharmaceutical drugs and drugs intermediates and other allied chemicals.
- \*(7d) To promote, establish, acquire, run and deal in plants and processes, know-how and technology for the treatment of industrial effluent and pollution control.
- \*(7e) To acquire, take over, develop, sell or otherwise deal with lands, buildings, easements and interests in real estate.
- \*(7f) To establish, run and burn brick-kilns, limestone-kilns and manufacture ali kinds of building material (except wood and steel works) inclusive of pre-fabricating, paving, lining and roofing material.
- \*(7g) To carry on the business of leasing and hire purchase and to carry on lease operations of all kinds and purchasing, selling, hiring or letting on hire all types of industrial and Office plants, machinery, equipment, vehicles, buildings and tenements and to carry on all and every kind and description of hire purchase or deferred payment of similar transactions.

**\* Modification w.e.f. 26.3.1998**

- @ (7h) To carry on the business of establishing, commissioning, setting up, operating and maintaining electric power generating stations based on conventional/non-conventional resources, tie-lines, sub-stations and transmission lines on build, own and transfer (BOT), and/or build, own, lease and transfer (BOLT) and/ or build, own, operate and transfer (BOOT) basis and to carry on the business of acquiring, operating, managing and maintaining existing power generation stations, tie-lines, sub-stations and transmission lines, either owned by the private sector or public sector or the Government or Governments or other public authorities and for any or all of the aforesaid purposes, to do all the necessary or ancillary activities as may be considered necessary or beneficial or desirable.
- @ (7i) To generate, acquire, accumulate, purchase in bulk, develop, supply, distribute, employ or transmit all types and forms of energy whether conventional or non-conventional, for the purpose of light, heat, motive power or otherwise, and to manufacture and to buy all types of plant, apparatus and other equipment of any kind or description capable of being used in connection with the generation, acquisition, accumulation, development, supply, distribution, employment of transmission of such energy.

**@ Modification w.e.f. 24.3.2008**

- (8) To carry on all or any of the business of seed crushers, oil extractors, manufacturers and refiners, soap boilers, millers and flour merchants, cattle food manufacturers, hay, straw and fodder growers and merchants, manufacturers of saccharine, sizing materials, dyes, colours, industrial and other preparations, as also the business of a water-works, tramway, telephone and electric company in all its branches, and generally to carry on any other trade or business, manufacturing or otherwise, subsidiary or auxiliary to or which can, in the opinion of the Company, be advantageously or conveniently carried on by way of extension of or in connection with any such business as aforesaid, or with any of its objects, or is calculated directly or indirectly to develop any branch of the Company's business or to increase the value of or turn to account or render profitable any of the Company's assets, property or rights, and to establish and maintain agencies for the conduct of the business of the Company, or for the sale of any material or things for the time being at the disposal of the Company for sale, and to do all kinds of agency business.
- (9) To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any person,



firm or company carrying on any business which this Company is authorized to carry on, or possessed of property or rights suitable for any of the purposes of the Company, and to purchase, acquire, sell and deal in property, shares, stock, debentures or debenture-stock of any such person, firm or company, and to conduct, make and carry into effect any arrangements in regard to the winding-up of the business of any such person, firm or company.

- (10) To enter into partnership or into any arrangement for sharing profits, amalgamation, union of interests, co-operation, joint adventure, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in, or about to carry on or engage in any business or transaction which this Company is authorized to carry on or engage in, or any business, undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit the Company and to lend money to, guarantee contracts of, or otherwise assist any such person, firm or company, and to place, take, or otherwise acquire and hold shares or securities of any such person, firm or company, and to sell, hold, re-issue, with or without guarantee, or otherwise deal with the same, and to amalgamate with any company or companies having objects altogether or in part similar to those of this Company.
- (11) To promote, form and register, and to aid in the promotion, formation, and registration of any company for the purpose of acquiring all or any of the property, rights and liabilities of this Company, or for any other purposes which may seem directly or indirectly calculated to benefit this Company, and to transfer to any such company any property, of this Company, and to promote and form, or to be interested in, any other company for all or any of the objects mentioned in this Memorandum, and take or otherwise acquire, hold, sell, or otherwise dispose of, or to underwrite, issue and place, or to guarantee the subscription and issue of shares, debentures, and other securities in or of any such company, notwithstanding there may be any liability thereon, and to subsidize or otherwise assist any such company, and to undertake the management, and secretarial or other work, duties and business of any such company on such terms as may be arranged.
- (12) To acquire and hold shares in any other company, and to pay for any properties, rights or privileges acquired by this Company, either in shares of this Company, or partly in shares and partly in cash or otherwise, and to give shares or stock of this Company in exchange for shares or stock of any other company.
- (13) To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company, and the issue of its capital, including any underwriting or other

commissions, brokers' fees, and other charges in connection therewith.

- (14) To draw, accept and make, and to endorse, discount and negotiate promissory notes, hundies, bills of exchange, bills of lading and other negotiable instruments connected with the business of the Company.
- (15) To borrow or raise money, or to receive money on deposit at interest, or otherwise in such manner as the Company may think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise, and in security of any such money so borrowed, raised or received to mortgage, pledge, or charge the whole or any part of the property, assets or revenue of the Company, present or future, including its uncalled capital, by special assignment, or to transfer or convey the same absolutely or in trust, and to give the lenders power of sale and other powers as may seem expedient, and to purchase, redeem or pay off any such securities.
- (16) To lend, invest or otherwise employ, with or without security, moneys belonging to or entrusted to the Company upon such terms and in such manner as may be thought proper, and in particular to lend moneys to customers or other persons having dealings with the Company, and to guarantee the performance of contracts by any such persons, and from time to time to vary such transactions in such manner as the Company may think fit.
- (17) To provide for the welfare of employees or ex-employees of the Company and the wives, widows, and other families or the dependants or connections of such persons, by grants of moneys, pensions, allowances, bonus or other payment, or by such other aid as the Company shall think fit, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, fund or trusts, and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and assistance as the Company shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects, which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation or of public and general utility or otherwise.
- (18) To sell and in any other manner deal with or dispose of the undertaking and other property of the Company, or any part thereof, for such consideration and on such terms as the Company may think fit, and in particular for shares, debentures and other securities of any other Company having objects altogether or in part similar to those of the Company, and to improve, manage, work, develop, lease, mortgage, abandon or otherwise deal with all or any part of the property, rights and concessions of the Company.

- (19) To remunerate the servants of the Company and others, out of and in proportion to the profits of the Company, or otherwise as may be thought fit.
- (20) To place to reserve, or to distribute as dividend or bonus among the members, or otherwise to apply, as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company, and any moneys received in respect of dividends accrued on forfeited shares, and also moneys arising from the sale by the Company of forfeited shares or from unclaimed dividends.
- (21) To remunerate or make donations to (by cash or other assets, or by the allotment of fully or partly paid shares, or by a call or option on shares, debentures, debenture-stock, or securities of this or any other Company, or in any other manner, whether out of the Company's capital or profits, or otherwise) any person or persons for services rendered or to be rendered in introducing any property or business to the Company, or in placing or assisting to place or guaranteeing the placing or subscription of any 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, or for any other reason which the Company may think proper.
- (22) To create any Depreciation Fund, Reserve Fund, Sinking Fund, or any other special fund, whether for depreciation, or for repairing, improving, extending or maintaining any of the property of the Company, or for any other purposes conducive to the interests of the Company.
- (23) To distribute any of the property and assets of the Company amongst the members in specie or kind, but so that no distribution amounting to a reduction in capital be made without the sanction of the Court, if the same be requisite.
- (24) To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them and as principals, agents, contractors, trustees or otherwise, and by or through trustees, agents or otherwise and either alone or in conjunction with others.

And it is hereby declared that the word "company" in this Clause when applied otherwise than to this Company shall be deemed to include any authority, partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in British India or elsewhere, and the intention is that the objects set forth in each of the several paragraphs of this clause shall have the widest possible construction, and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph of this clause or the name of the Company.

IV. The liability of members is limited.

\* V. The Authorised Share Capital of the Company is Rs.22,00,00,000/- (Rupees Twenty Two Crore Only) divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- (Rupees Twelve Crore Only) and 1,00,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.10,00,00,000/- (Rupees Ten Crore Only)."

\* Modification w.e.f.22.01.2013

† By a Special Resolution of the Company duly passed and confirmed respectively at Extra Ordinary General Meetings of the Company held respectively on the 14th day of December 1938 and the 29th day of December 1938 the provisions in clause V of the Memorandum of Association of the Company relating to the Capital of the Company have been altered and the 4,000 shares of Rs. 500/- each mentioned in the said clause have been sub-divided into 20,000 shares of Rs. 100/- each and the existing 3,000 partly paid up shares of Rs. 500/- each in the Capital of the Company with Rs. 400/- on each share paid up have been sub-divided into 15,000 shares of Rs. 100/- each, upon each of which the sum of Rs. 80/- is to be credited as paid up. Annexed hereto is a copy of the Special Resolution.

By a Special Resolution of the Company duly passed at an Extraordinary General Meeting of the Company held on 22nd of December 1941 the Authorised Capital of Rs. 20,00,000/- has been increased to Rs. 1,00,00,000/- by the creation of 80,000 new shares of Rs. 100/- each, of which 30,000 shares are to be Ordinary Shares and 50,000 shares are to be Preference Shares and the 20,000 shares in the existing Authorised Capital of the Company are to be treated as Ordinary Shares. Annexed hereto is a copy of the Special Resolution.

By a Special Resolution of the Company passed at an Extraordinary General Meeting of the Company held on 21st day of April 1945 the Authorised Capital was increased from Rs. 1,00,00,000/- to Rs. 1,27,50,000/- by the creation of 15,000 Ordinary Shares of Rs. 50/- each and 20,000 Preference Shares of Rs. 100/- each. Annexed hereto is a copy of the Special Resolution.

By a Special Resolution of the Company passed at an Extra Ordinary General Meeting held on the 9th day of November 1958 each of the Ordinary Shares of the Company of Rs. 100/- each was divided into two Ordinary Shares of Rs. 50/- each. Annexed hereto is a copy of the Special Resolution.

By a Special Resolution of the Company passed at the Annual General Meeting of the Company held on 28th day of January 1983 the 35,000 unissued Ordinary (Equity) Shares of Rs. 100/- each were sub-divided into 70,000 Ordinary (Equity) Shares of Rs. 50/- each.

By a Special Resolution of the Company passed at an Extra Ordinary General Meeting held on the 10th day of May, 1974, the Authorised Capital was increased from Rs. 1,27,50,000/- to Rs. 2,70,00,000/- by the creation of 2,85,000 Ordinary (Equity) Shares of Rs. 50/- each. Annexed hereto is a copy of the Special Resolution.

By a Special Resolution of the Company passed at an Extra Ordinary General Meeting held on the 13th day of December, 1984, each of the Ordinary (Equity) Shares of the Company of Rs. 50/- each was sub-divided into five Ordinary (Equity) Shares of Rs. 10/- each. Annexed hereto is a copy of the Special Resolution.

By Special Resolution of the Company passed at the Annual General Meeting held on 29.9.1995 the Authorised Capital of Rs.12,70,00,000/- has been increased to Rs.18,00,00,000/- divided into 1,20,00,000 Equity Shares of Rs.10/- each and 60,00,000 Redeemable Preference Shares of Rs.10/- each.

By Ordinary Resolution passed by the Shareholders of the Company held on 22.1.2013 through Postal Ballot Voting Process conducted pursuant to Section 192A of the Companies Act, 1956, the Authorised Capital was increased from Rs.18,00,00,000/- to Rs.22,00,00,000/- divided into 1,20,00,000 Equity Shares of Rs.10/- each aggregating to Rs.12,00,00,000/- and 1,00,00,000 Redeemable Preference Shares of Rs.10/- each aggregating to Rs.10,00,00,000/-.

The shares in the capital of the Company for the time being whether original or increased, may be divided and altered into several classes and there may be attached thereto respectively such preferential, deferred, qualified or other special rights, privileges, conditions or restrictions, whether in regard to dividend, voting, return of capital or otherwise, as may be determined, but so that and if and whenever the capital of the Company is divided into shares of various classes with any preferential or special rights attached thereto, such rights shall not (except where the terms of issue otherwise provide) be varied, modified, affected or dealt with in any manner otherwise than pursuant to the provisions of Article \*72 of the Articles of Association of this Company registered herewith.

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	Addresses and Descriptions of Subscribers.	Number of shares taken by Subscribers	Witness to the signatures of Subscribers
NANDLAL KILACHAND	Merchant, Apollo Street, Fort, Bombay.	202 (Two hundred and two only)	B. K. Daphtary, Solicitor, Bombay.
TULSIDAS KILACHAND	Do.	101 (One hundred and one only)	
RAMDAS KILACHAND	Do.	101 (One hundred and one only)	
AMBALAL KILACHAND	Do.	101 (One hundred and one only)	
HURSUKHRAI C. MEHTA	Private Service, Kalbadevi, Kolbhet Lane, Bombay.	5 (Five only)	
CHANDULAL V. DIVAN	Girgaum Back Road, Bombay, Solicitor.	5 (Five only)	
JIVANLAL CHHOTALAL	Merchant, Apollo Street, Fort, Bombay.	5 (Five only)	

Dated this 1st day of August 1933

\*Article 80 of the existing Articles of Association.

**THE COMPANIES ACT, 2013**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**KESAR ENTERPRISES LIMITED**

## INDEX

Particulars	Article No.	Page No.
<b>Table 'F' Excluded</b>		
Table 'F' not to apply	<b>1(1)</b>	<b>1</b>
Company to be governed by these Articles	<b>1(2)</b>	<b>1</b>
<b>Interpretation</b>		
"The Act"	<b>2(1)(a)</b>	<b>1</b>
"The Articles"	<b>2(1)(b)</b>	<b>1</b>
"The Board of Directors" or "The Board"	<b>2(1)(c)</b>	<b>1</b>
"The Company"	<b>2(1)(d)</b>	<b>1</b>
"The Rules"	<b>2(1)(e)</b>	<b>1</b>
"The Seal"	<b>2(1)(f)</b>	<b>1</b>
"Number" and "Gender"	<b>2(2)</b>	<b>1</b>
Expression in the Articles to bear the same meaning as in the Act	<b>2(3)</b>	<b>2</b>
<b>Share Capital and Variation of Rights</b>		
Shares under control of Board	<b>3</b>	<b>2</b>
Directors may allot shares otherwise than for cash	<b>4</b>	<b>2</b>
Kinds of Share Capital	<b>5(a)(b)</b>	<b>2</b>
Issue of Certificate	<b>6(1)(a)(b)</b>	<b>2</b>
Certificate to bear Seal	<b>6(2)</b>	<b>2</b>
One Certificate for Shares held jointly	<b>6(3)</b>	<b>3</b>
Option to receive Share Certificate or hold Shares with Depository	<b>7</b>	<b>3</b>
Issue of new Certificate in place of one defaced, lost or destroyed	<b>8</b>	<b>3</b>
Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc.	<b>9</b>	<b>3</b>
Power to pay commission in connection with securities issued	<b>10(1)</b>	<b>3</b>
Rate of commission in accordance with Rules	<b>10(2)</b>	<b>3</b>
Mode of payment of commission	<b>10(3)</b>	<b>3</b>
Variation of Members' rights	<b>11(1)</b>	<b>3</b>

<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
Provisions as to general meetings to apply <i>mutatis mutandis</i> to each meeting	<b>11(2)</b>	<b>4</b>
Issue of further shares not to affect rights of existing members	<b>12</b>	<b>4</b>
Power to issue redeemable preference shares	<b>13</b>	<b>4</b>
Further issue of share capital	<b>14(l)(a)(b)(c)</b>	<b>4</b>
Mode of further issue of shares	<b>14(2)</b>	<b>4</b>
<b>Lien</b>		
Company's lien on shares	<b>15(1) (a) (b)</b>	<b>4</b>
Lien to extend to dividends, etc.	<b>15(2)</b>	<b>4</b>
Waiver of lien in case of registration	<b>15(3)</b>	<b>5</b>
As to enforcing lien by sale	<b>16(a)(b)</b>	<b>5</b>
Validity of sale	<b>17(1)</b>	<b>5</b>
Purchaser to be registered holder	<b>17(2)</b>	<b>5</b>
Validity of Company's receipt	<b>17(3)</b>	<b>5</b>
Purchaser not affected	<b>17(4)</b>	<b>5</b>
Application of proceeds of sale	<b>18(1)</b>	<b>5</b>
Payment of residual money	<b>18(2)</b>	<b>5</b>
Outsider's lien not to affect Company's lien	<b>19</b>	<b>5</b>
Provisions as to lien to apply <i>mutatis mutandis</i> to debentures, etc.	<b>20</b>	<b>6</b>
<b>Calls on Shares</b>		
Board may make calls	<b>21(1)</b>	<b>6</b>
Notice of call	<b>21(2)</b>	<b>6</b>
Board may extend time for payment	<b>21(3)</b>	<b>6</b>
Revocation or postponement of call	<b>21(4)</b>	<b>6</b>
Call to take effect from date of resolution	<b>22</b>	<b>6</b>
Liability of joint holders of shares	<b>23</b>	<b>6</b>
When interest on call or instalment payable	<b>24(1)</b>	<b>6</b>
Board may waive interest	<b>24(2)</b>	<b>6</b>
Sums deemed to be calls	<b>25(1)</b>	<b>6</b>



<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
Effect of non-payment of sums	<b>25(2)</b>	<b>6</b>
Payment in anticipation of calls may carry interest	<b>26(a)(b)</b>	<b>7</b>
Instalments on shares to be duly paid	<b>27</b>	<b>7</b>
Calls on shares of same class to be on uniform basis	<b>28</b>	<b>7</b>
Partial payment not to preclude forfeiture	<b>29</b>	<b>7</b>
Provisions as to calls to apply <i>mutatis mutandis</i> to debentures, etc.	<b>30</b>	<b>7</b>
<b>Transfer of Shares</b>		
Instrument of transfer to be executed by transferor and transferee	<b>31(1)(2)</b>	<b>7</b>
Board may refuse to register transfer	<b>32(a)(b)</b>	<b>7</b>
Board may decline to recognize instrument of transfer	<b>33(a)(b)(c)</b>	<b>8</b>
Transfer of shares when suspended	<b>34</b>	<b>8</b>
Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc.	<b>35</b>	<b>8</b>
<b>Transmission of Shares</b>		
Title to shares on death of a member	<b>36(1)</b>	<b>8</b>
Estate of deceased member liable	<b>36(2)</b>	<b>8</b>
Transmission Clause	<b>37(l)(a)(b)</b>	<b>8</b>
Board's right unaffected	<b>37(2)</b>	<b>8</b>
Indemnity to the Company	<b>37(3)</b>	<b>9</b>
Right to election of holder of share	<b>38(1)</b>	<b>9</b>
Manner of testifying election	<b>38(2)</b>	<b>9</b>
Limitations applicable to notice	<b>38(3)</b>	<b>9</b>
Claimant to be entitled to same advantage	<b>39</b>	<b>9</b>
Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc.	<b>40</b>	<b>9</b>
<b>Forfeiture of Shares</b>		
If call or instalment not paid notice must be given	<b>41</b>	<b>9</b>
Form of notice	<b>42(a)(b)</b>	<b>9</b>
In default of payment of shares to be forfeited	<b>43</b>	<b>10</b>
Receipt of part amount or grant of indulgence not to affect forfeiture	<b>44</b>	<b>10</b>

<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
Entry of forfeiture in register of members	<b>45</b>	<b>10</b>
Effect of forfeiture	<b>46</b>	<b>10</b>
Forfeited shares may be sold, etc.	<b>47(1)</b>	<b>10</b>
Cancellation of forfeiture	<b>47(2)</b>	<b>10</b>
Members still liable to pay money owing at the time of forfeiture	<b>48(1)</b>	<b>10</b>
Member still liable to pay money owing at time of forfeiture and interest	<b>48(2)</b>	<b>10</b>
Cesser of liability	<b>48(3)</b>	<b>11</b>
Certificate of forfeiture	<b>49(1)</b>	<b>11</b>
Title of purchaser and transferee of forfeited shares	<b>49(2)</b>	<b>11</b>
Transferee to be registered as holder	<b>49(3)</b>	<b>11</b>
Transferee not affected	<b>49(4)</b>	<b>11</b>
Validity of sales	<b>50</b>	<b>11</b>
Cancellation of share certificate in respect of forfeited shares	<b>51</b>	<b>11</b>
Surrender of share certificates	<b>52</b>	<b>11</b>
Sums deemed to be calls	<b>53</b>	<b>11</b>
Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc.	<b>54</b>	<b>11</b>
<b>Alteration of Capital</b>		
Power to alter share capital	<b>55(a)(b)(c)(d)(e)</b>	<b>12</b>
Shares may be converted into stock	<b>56(a)</b>	<b>12</b>
Right of stockholders	<b>56(b)(c)</b>	<b>12</b>
Reduction of Capital	<b>57(a)(b)(c)(d)</b>	<b>13</b>
<b>Joint Holders</b>		
Joint-holders	<b>58</b>	<b>13</b>
Liability of joint-holders	<b>58(a)</b>	<b>13</b>
Death of one or more joint-holders	<b>58 (b)</b>	<b>13</b>
Receipt of one sufficient	<b>58 (c)</b>	<b>13</b>
Delivery of certificate and giving of notice to first named holder	<b>58(d)</b>	<b>13</b>

<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
Vote of joint-holders	<b>58(e)(i)</b>	<b>13</b>
Executors or administrators as joint holders	<b>58(e)(ii)</b>	<b>14</b>
Provisions as to joint holders as to shares to apply <i>mutatis mutandis</i> to debentures, etc.	<b>58(f)</b>	<b>14</b>
<b>Capitalisation of profits</b>		
Capitalisation	<b>59(1)(a)(b)</b>	<b>14</b>
Sum how applied	<b>59(2)(A)(B)(C)(3)(4)</b>	<b>14</b>
Powers of the Board for Capitalisation	<b>60(1)(a)(b)</b>	<b>14</b>
Board's power to issue fractional certificate/coupon etc.	<b>60(2)(a)(b)</b>	<b>15</b>
Agreement binding on members	<b>60(3)</b>	<b>15</b>
<b>Buy-back of Shares</b>		
Buy-back of Shares	<b>61</b>	<b>15</b>
<b>General Meetings</b>		
Extraordinary general meeting	<b>62</b>	<b>15</b>
Powers of Board to call extraordinary general meeting	<b>63</b>	<b>15</b>
<b>Proceedings at General Meetings</b>		
Presence of Quorum	<b>64(1)</b>	<b>15</b>
Business confined to election of Chairperson whilst chair vacant	<b>64(2)</b>	<b>15</b>
Quorum for general meeting	<b>64(3)</b>	<b>15</b>
Chairperson of the meetings	<b>65</b>	<b>16</b>
Directors to elect a Chairperson	<b>66</b>	<b>16</b>
Members to elect a Chairperson	<b>67</b>	<b>16</b>
Casting vote of Chairperson at general meeting	<b>68</b>	<b>16</b>
Minutes of proceedings of meetings and resolutions passed by postal ballot	<b>69(1)</b>	<b>16</b>
Certain matters not be included in the Minutes	<b>69(2)(a)(b)(c)</b>	<b>16</b>
Discretion of Chairperson in relation to Minutes	<b>69(3)</b>	<b>16</b>
Minutes to be evidence	<b>69(4)</b>	<b>16</b>
Inspection of Minute books of general meeting	<b>70(1)(a)(b)</b>	<b>16</b>
Members may obtain copy of Minutes	<b>70(2)</b>	<b>17</b>

<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
Powers to arrange security at meetings	<b>71</b>	<b>17</b>
<b>Adjournment of Meeting</b>		
Chairperson may adjourn the meeting	<b>72(1)</b>	<b>17</b>
Business at adjourned meeting	<b>72(2)</b>	<b>17</b>
Notice of adjourned meeting	<b>72(3)</b>	<b>17</b>
Notice of adjourned meeting not required	<b>72(4)</b>	<b>17</b>
<b>Voting Rights</b>		
Entitlement to vote on show of hands and on poll	<b>73(a)(b)</b>	<b>17</b>
Voting through electronic means	<b>74</b>	<b>17</b>
Vote of joint-holders	<b>75(1)</b>	<b>18</b>
Seniority of names	<b>75(2)</b>	<b>18</b>
How members <i>non compos mentis</i> and minor may vote	<b>76</b>	<b>18</b>
Votes in respect of shares of deceased or insolvent members, etc.	<b>77</b>	<b>18</b>
Business may proceed pending poll	<b>78</b>	<b>18</b>
Restriction on voting rights	<b>79</b>	<b>18</b>
Restriction on exercise of voting right in other cases to be void	<b>80</b>	<b>18</b>
Equal rights of members	<b>81</b>	<b>18</b>
Proxy		<b>18</b>
Member may vote in person or otherwise	<b>82(1)</b>	<b>18</b>
Proxies when to be deposited	<b>82(2)</b>	<b>19</b>
Form of proxy	<b>83</b>	<b>19</b>
Proxy to be valid notwithstanding death of the principal	<b>84</b>	<b>19</b>
<b>Board of Directors</b>		
Board of Directors	<b>85</b>	<b>19</b>
Directors not liable to retire by rotation	<b>86(1)</b>	<b>19</b>
Same individual may be Chairperson and Managing Director / Chief Executive Officer	<b>86(2)</b>	<b>19</b>
Remuneration of directors	<b>87(1)</b>	<b>19</b>
Remuneration to require members' consent	<b>87(2)</b>	<b>19</b>

<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
Travelling and other expenses	<b>87(3)(a)(b)</b>	<b>19</b>
Execution of negotiable instruments	<b>88</b>	<b>20</b>
Appointment of additional directors	<b>89(1)</b>	<b>20</b>
Duration of office of additional director	<b>89(2)</b>	<b>20</b>
Appointment of alternate director	<b>90(1)</b>	<b>20</b>
Duration of office of alternate director	<b>90(2)</b>	<b>20</b>
Re-appointment provisions applicable to Original Director	<b>90(3)</b>	<b>20</b>
Appointment of director to fill a casual vacancy	<b>91(1)</b>	<b>20</b>
Duration of office of Director appointed to fill casual vacancy	<b>91(2)</b>	<b>20</b>
<b>Powers of Board</b>		
General powers of the Company vested in Board	<b>92</b>	<b>20</b>
<b>Proceedings of the Board</b>		
When meeting to be convened	<b>93(1)</b>	<b>21</b>
Who may summon Board meeting	<b>93(2)</b>	<b>21</b>
Quorum for Board meetings	<b>93(3)</b>	<b>21</b>
Participation at Board meetings	<b>93(4)</b>	<b>21</b>
Questions at Board meeting how decided	<b>94(1)</b>	<b>21</b>
Casting vote of Chairperson at Board meeting	<b>94(2)</b>	<b>21</b>
Directors not to act when number falls below minimum	<b>95</b>	<b>21</b>
Who to preside at meetings of the Board	<b>96(1)</b>	<b>21</b>
Directors to elect a Chairperson	<b>96(2)</b>	<b>21</b>
Delegation of powers	<b>97(1)</b>	<b>22</b>
Committee to conform to Board regulations	<b>97(2)</b>	<b>22</b>
Participation at Committee meetings	<b>97(3)</b>	<b>22</b>
Chairperson of Committee	<b>98(1)</b>	<b>22</b>
Who to preside at meetings of Committee	<b>98(2)</b>	<b>22</b>
Committee to meet	<b>99(1)</b>	<b>22</b>
Questions at Committee meeting how decided	<b>99(2)</b>	<b>22</b>

<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
Casting vote of Chairperson at Committee meeting	<b>99(3)</b>	<b>22</b>
Acts of Board or Committee valid notwithstanding defect of appointment	<b>100</b>	<b>22</b>
Passing of resolution by circulation	<b>101</b>	<b>22</b>
<b>Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer</b>		
Chief Executive Officer, etc.	<b>102(a)</b>	<b>22</b>
Director may be chief executive officer, etc.	<b>102(b)</b>	<b>23</b>
<b>Registers</b>		
Statutory registers	<b>103</b>	<b>23</b>
Foreign register	<b>104(a)(b)</b>	<b>23</b>
<b>The Seal</b>		
The seal, its custody and use	<b>105(1)</b>	<b>23</b>
Affixation of seal	<b>105(2)</b>	<b>23</b>
<b>Dividends and Reserve</b>		
Company in general meeting may declare dividends	<b>106</b>	<b>24</b>
Interim dividends	<b>107</b>	<b>24</b>
Dividends only to be paid out of profits	<b>108(1)</b>	<b>24</b>
Carry forward of profits	<b>108(2)</b>	<b>24</b>
Division of profits	<b>109(1)</b>	<b>24</b>
Payments in advance	<b>109(2)</b>	<b>24</b>
Dividends to be apportioned	<b>109(3)</b>	<b>24</b>
No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom	<b>110(1)</b>	<b>25</b>
Retention of dividends	<b>110(2)</b>	<b>25</b>
Dividend how remitted	<b>111(1)</b>	<b>25</b>
Instrument of payment	<b>111(2)</b>	<b>25</b>
Discharge to company	<b>111(3)</b>	<b>25</b>
Receipt of one holder sufficient	<b>112</b>	<b>25</b>
No interest on dividends	<b>113</b>	<b>25</b>
Waiver of dividends	<b>114</b>	<b>25</b>

<b>Particulars</b>	<b>Article No.</b>	<b>Page No.</b>
<b>Accounts</b>		
Inspection by Directors	<b>115(1)</b>	<b>25</b>
Restriction on inspection by members	<b>115(2)</b>	<b>25</b>
<b>Winding up</b>		
Winding up of Company	<b>116(a)(b)(c)</b>	<b>26</b>
<b>Indemnity and Insurance</b>		
Directors and officers right to indemnity	<b>117(a)(b)</b>	<b>26</b>
Insurance	<b>117 (c)</b>	<b>27</b>
<b>General Power</b>		
General Power	<b>118</b>	<b>27</b>

The following Regulations comprised in these Articles of Association were adopted pursuant to the Special Resolution passed by the Members of the Company through Postal Ballot Process and the result thereof declared on 30th September, 2014 in substitution for, and to the entire exclusion of, the earlier Regulations comprised in the extant Articles of Association of the Company.

**TABLE 'F' EXCLUDED**

- |   |   |
|---|---|
| <p>1. (1) The Regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.</p>  | <p>Table 'F' not to apply</p>                   |
| <p>(2) The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles.</p> | <p>Company to be governed by these Articles</p> |

**Interpretation**

- |   |   |
|---|---|
| <p>2. (1) In these Articles —</p> <p>(a) "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.</p> <p>(b) "Articles" means these articles of association of the Company or as altered from time to time.</p> <p>(c) "Board of Directors" or "Board", means the collective body of the directors of the Company.</p> <p>(d) "Company" means <b>Kesar Enterprises Limited</b>.</p> <p>(e) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.</p> <p>(f) "Seal" means the common seal of the Company.</p> | <p>"The Act"</p> <p>"The Articles"</p> <p>"The Board of Directors" or "The Board"</p> <p>"The Company"</p> <p>"The Rules"</p> <p>"The Seal"</p> |
| <p>(2) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine and neuter gender.</p>  | <p>"Number" and "Gender"</p>  |



- (3) Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.
- Expressions in the Articles to bear the same meaning as in the Act

### **Share capital and variation of rights**

3. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
- Shares under control of Board
4. Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
- Directors may allot shares otherwise than for cash
5. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
- Kinds of Share Capital
- (a) Equity Share Capital:
- (i) with voting rights; and / or
- (ii) with differential rights as to dividend, voting or otherwise in accordance with the Rules; and
- (b) Preference Share Capital
6. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide -
- Issue of certificate
- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.
- (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- Certificate to bear seal

- |   |  |
|---|--|
| <p>(3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p>  | <p>One certificate for shares held jointly</p>   |
| <p>7. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialised state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.</p>  | <p>Option to receive share certificate or hold shares with depository</p>                          |
| <p>8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.</p> | <p>Issue of new certificate in place of one defaced, lost or destroyed</p>                         |
| <p>9. The provisions of the foregoing Articles relating to issue of certificates shall <i>mutatis mutandis</i> apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.</p>   | <p>Provisions as to issue of certificates to apply <i>mutatis mutandis</i> to debentures, etc.</p> |
| <p>10. (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent, or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.</p>  | <p>Power to pay commission in connection with securities issued</p>                                |
| <p>(2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.</p>  | <p>Rate of commission in accordance with Rules</p>   |
| <p>(3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.</p>   | <p>Mode of payment of commission</p>   |
| <p>11. (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class, as prescribed by the Act.</p>   | <p>Variation of members' rights</p>  |

- |             |     |  |  |
|-------------|-----|--|--|
|             | (2) | To every such separate meeting, the provision of these Articles relating to general meetings shall <i>mutandis</i> apply.  | Provisions as to general meetings to apply <i>mutatis mutandis</i> to each meeting |
| 12.         |     | The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking <i>pari passu</i> therewith.  | Issue of further shares not to affect rights of existing members                   |
| 13.         |     | Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.  | Power to issue redeemable preference shares  |
| 14.         | (1) | The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to-<br>(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or<br>(b) employees under any scheme of employees' stock option; or<br>(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above. | Further issue of share capital   |
|             | (2) | A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.  | Mode of further issue of shares  |
| <b>Lien</b> |     |  |  |
| 15.         | (1) | The Company shall have a first and paramount lien-<br>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and<br>(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:<br><br>Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.                                     | Company's lien on shares   |
|             | (2) | The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.   | Lien to extend to dividends, etc.  |

(3)	Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.	Waiver of lien in case of registration
16.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) until the expiration of fourteen days after a notion in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.</p>	As to enforcing lien by sale
17.	<p>(1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>(3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.</p> <p>(4) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.</p>	<p>Validity of sale</p> <p>Purchaser to be registered holder</p> <p>Validity of Company's receipt</p> <p>Purchaser not affected</p>
18.	<p>(1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>	<p>Application of proceeds of sale</p> <p>Payment of residual money</p>
19.	In exercising its lien, 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 unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.	Outsider's lien not to affect Company's lien

20.	The provisions of these Articles relating to lien shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to lien to apply <i>mutatis mutandis</i> to debentures, etc.
<b>Calls on shares</b>		
21.	(1) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.	Board may make calls
	(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.	Notice of call
	(3) The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.	Board may extend time for payment
	(4) A call may be revoked or postponed at the discretion of the Board.	Revocation or postponement of call
22.	A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.	Call to take effect from date of resolution
23.	The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint holders of shares
24.	(1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.	When interest on call or instalment payable
	(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.	Board may waive interest
25.	(1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.	Sums deemed to be calls
	(2) In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.	Effect of non-payment of sums
26.	The Board - (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and	Payment in anticipation of calls may carry interest

- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would, but for such payment, become presently payable by him.
27. If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such instalment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder. Instalments on shares to be duly paid
28. All calls shall be made on a uniform basis on all shares falling under the same class. Calls on shares of same class to be on uniform basis  
*Explanation:* Shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
29. Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. Partial payment not to preclude forfeiture
30. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company. Provisions as to calls to apply *mutatis mutandis* to debentures, etc.

#### **Transfer of shares**

31. (1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee. Instrument of transfer to be executed by transferor and transferee
- (2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
32. The Board may, subject to the right of appeal conferred by the Act decline to register - Board may refuse to register transfer
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the Company has a lien.

- |     |   |  |
|-----|---|--|
| 33. | <p>In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless -</p> <p>(a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;</p> <p>(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and</p> <p>(c) the instrument of transfer is in respect of only one class of shares.</p> | Board may decline to recognise instrument of transfer                                    |
| 34. | <p>On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:</p> <p>Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.</p>  | Transfer of shares when suspended  |
| 35. | <p>The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.</p>   | Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to debentures, etc. |

**Transmission of shares**

- |         |  |   |
|---------|--|---|
| 36.     | <p>(1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.</p> <p>(2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p> | <p>Title to shares on death of a member</p> <p>Estate of deceased member liable</p> |
| 37. (1) | <p>Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either -</p> <p>(a) to be registered himself as holder of the share; or</p> <p>(b) to make such transfer of the share as the deceased or insolvent member could have made.</p>  | Transmission Clause   |
| (2)     | <p>The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p>   | Board's right unaffected  |

- |         |  |  |
|---------|--|--|
| (3)     | The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.   | Indemnity to the Company   |
| 38. (1) | If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.   | Right to election of holder of share   |
| (2)     | If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.   | Manner of testifying election  |
| (3)     | All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.   | Limitations applicable to notice   |
| 39.     | <p>A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p><b>Provided that</b> the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.</p> | Claimant to be entitled to same advantage  |
| 40.     | The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.   | Provisions as to transmission to apply <i>mutatis mutandis</i> to debentures, etc. |

**Forfeiture of shares**

- |     |   |   |
|-----|---|---|
| 41. | If a member fails to pay any call, or instalment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or instalment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment. | If call or instalment not paid notice must be given |
| 42. | <p>The notice aforesaid shall:</p> <p>(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and</p>   | Form of notice                                      |



- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
43. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. In default of payment of shares to be forfeited
44. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture. Receipt of part amount or grant of indulgence not to affect forfeiture
45. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid. Entry of forfeiture in register of members
46. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share. Effect of forfeiture
47. (1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. Forfeited shares may be sold, etc.
- (2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit. Cancellation of forfeiture
48. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. Members still liable to pay money owing at the time of forfeiture
- (2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. Member still liable to pay money owing at time of forfeiture and interest

	(3)	The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.	Cease of liability
49.	(1)	A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;	Certificate of forfeiture
	(2)	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;	Title of purchaser and transferee of forfeited shares
	(3)	The transferee shall thereupon be registered as the holder of the share; and	Transferee to be registered as holder
	(4)	The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.	Transferee not affected
50.		Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.	Validity of sales
51.		Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.	Cancellation of share certificate in respect of forfeited shares
52.		The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.	Surrender of share certificates
53.		The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.	Sums deemed to be calls
54.		The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company.	Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to debentures, etc.

### Alteration of capital

55. Subject to the provisions of the Act, the Company may, by ordinary resolution -
- Power to alter share capital
- (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
  - (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;
  - (c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
56. Where shares are converted into stock:
- Shares may be converted into stock
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
  
**Provided that** the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
  - (c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" / "member" shall include "stock" and "stock-holder" respectively.
- Right of stockholders

57. The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —
- (a) its share capital; and/or
  - (b) any capital redemption reserve account; and/or
  - (c) any securities premium account; and/or
  - (d) any other reserve in the nature of share capital.
- Reduction of capital

#### Joint Holders

58. Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles:
- Joint-holders
- (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.
 

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

Death of one or more joint-holders
  - (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share.
 

Receipt of one sufficient
  - (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders.
 

Delivery of certificate and giving of notice to first named holder
  - (e)(i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by any attorney or proxy stands first or higher (as the case may be) in the register in respect of such shares.
 

Vote of joint-holders

- |   |  |
|---|--|
| (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders.                  | Executors or administrators as joint holders   |
| (f) The provisions of these Articles relating to joint holders of shares shall <i>mutatis mutandis</i> apply to any other securities including debentures of the Company registered in joint names. | Provisions as to joint holders as to shares to apply <i>mutatis mutandis</i> to debentures, etc. |

**Capitalisation of profits**

- |  |                 |
|--|-----------------|
| <p><b>59.</b> (1) The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —</p> <p>(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> | Capitalisation  |
| <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards :</p> <p>(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(B) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B).</p>   | Sum how applied |
| <p>(3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p>   |                 |
| <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.</p>   |                 |
| <p><b>60.</b> (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall -</p> <p>(a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and</p>   |                 |

- (b) generally do all acts and things required to give effect thereto.
- (2) The Board shall have power—
- (a) to make such provisions, by the issue of fractional certificates / coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on such members.

Board's power to issue fractional certificate/ coupon etc.

Agreement binding on members

**Buy-back of shares**

- 61.** Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

Buy-back of shares

**General meetings**

- 62.** All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 63.** The Board may, whenever it thinks fit, call an extraordinary general meeting.

Extraordinary general meeting

Powers of Board to call extraordinary general meeting

**Proceedings at general meetings**

- 64.** (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
- (3) The quorum for a general meeting shall be as provided in the Act.

Presence of Quorum

Business confined to election of Chairperson whilst chair vacant

Quorum for general meeting

<b>65.</b>	The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.	Chairperson of the meetings
<b>66.</b>	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	Directors to elect a Chairperson
<b>67.</b>	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
<b>68.</b>	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
<b>69.</b>	<p>(1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -</p> <p style="margin-left: 20px;">(a) is, or could reasonably be regarded, as defamatory of any person; or</p> <p style="margin-left: 20px;">(b) is irrelevant or immaterial to the proceedings; or</p> <p style="margin-left: 20px;">(c) is detrimental to the interests of the Company.</p> <p>(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.</p> <p>(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.</p>	<p>Minutes of proceedings of meetings and resolutions passed by postal ballot</p> <p>Certain matters not to be included in Minutes</p> <p>Discretion of Chairperson in relation to Minutes</p> <p>Minutes to be evidence</p>
<b>70.</b>	<p>(1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:</p> <p style="margin-left: 20px;">(a) be kept at the registered office of the Company; and</p> <p style="margin-left: 20px;">(b) be open to inspection of any member without charge, during 11:00 a.m. to 1:00 p.m. on all working days other than Saturdays.</p>	Inspection of minute books of general meeting

- |     |   |  |
|-----|---|--|
| (2) | Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above, Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost. | Members may obtain copy of minutes     |
| 71. | The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.                                 | Powers to arrange security at meetings |

#### Adjournment of meeting

- |     |   |  |
|-----|---|--|
| 72. | (1) The Chairperson may, <i>suo motu</i> , adjourn the meeting from time to time and from place to place.   | Chairperson may adjourn the meeting      |
|     | (2) 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 at adjourned meeting            |
|     | (3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.                                      | Notice of adjourned meeting              |
|     | (4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting. | Notice of adjourned meeting not required |

#### Voting rights

- |     |   |  |
|-----|---|--|
| 73. | Subject to any rights or restrictions for the time being attached to any class or classes of shares -<br>(a) on a show of hands, every member present in person shall have one vote; and<br>(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company. | Entitlement to vote on show of hands and on poll |
| 74. | A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.  | Voting through electronic means                  |



75.	(1)	In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.	Vote of joint-holders
	(2)	For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
76.		A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members <i>non compos mentis</i> and minor may vote
77.		Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members, etc.
78.		Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
79.		No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.	Restriction on voting rights
80.		A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
81.		Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members

**Proxy**

82.	(1)	Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.	Member may vote in person or otherwise
-----	-----	---	--

- |     |  |  |
|-----|--|--|
| (2) | The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.  | Proxies when to be deposited                             |
| 83. | An instrument appointing a proxy shall be in the form as prescribed in the Rules.  | Form of proxy  |
| 84. | A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:<br><br>Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used. | Proxy to be valid notwithstanding death of the principal |

#### **Board of Directors**

- |     |   |   |
|-----|---|---|
| 85. | Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).  | Board of Directors  |
| 86. | (1) The Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.<br><br>(2) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company   | Directors not liable to retire by rotation<br><br>Same individual may be Chairperson and Managing Director/ Chief Executive Officer |
| 87. | (1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.<br><br>(2) The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act by an ordinary resolution passed by the Company in general meeting.<br><br>(3) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them —<br><br>(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or | Remuneration of directors<br><br>Remuneration to require members' consent<br><br>Travelling and other expenses                      |

(b) in connection with the business of the Company.

- |            |  |   |
|------------|--|---|
| <b>88.</b> | All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.   | Execution of negotiable instruments   |
| <b>89.</b> | <p>(1) Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.</p> <p>(2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.</p>   | <p>Appointment of additional directors</p> <p>Duration of office of additional director</p>   |
| <b>90.</b> | <p>(1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.</p> <p>(2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.</p> <p>(3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.</p> | <p>Appointment of alternate director</p> <p>Duration of office of alternate director</p> <p>Re-appointment provisions Applicable to Original Director</p> |
| <b>91.</b> | <p>(1) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board.</p> <p>(2) The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.</p>   | <p>Appointment of director to fill a casual vacancy</p> <p>Duration of office of Director appointed to fill casual vacancy</p>                            |

#### **Powers of Board**

- |            |   |   |
|------------|---|---|
| <b>92.</b> | The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to | General Powers of the Company vested in Board |
|------------|---|---|

the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.

#### **Proceedings of the Board**

<b>93</b>	(1)	The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.	When meeting to be convened
	(2)	The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.	Who may summon Board meeting
	(3)	The quorum for a Board meeting shall be as provided in the Act.	Quorum for Board meetings
	(4)	The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Board meetings
<b>94.</b>	(1)	Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.	Questions at Board meeting how decided
	(2)	In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.	Casting vote of Chairperson at Board meeting
<b>95.</b>		The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.	Directors not to act when number falls below minimum
<b>96.</b>	(1)	The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.	Who to preside at meetings of the Board
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.	Directors to elect a Chairperson

97.	(1)	The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.	Delegation of powers
	(2)	Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.	Committee to conform to Board regulations
	(3)	The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Participation at Committee meetings
98.	(1)	A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.	Chairperson of Committee
	(2)	If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Who to preside at meetings of Committee
99.	(1)	A Committee may meet and adjourn as it thinks fit.	Committee to meet
	(2)	Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.	Questions at Committee meeting how decided
	(3)	In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.	
100.		All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.	Casting vote of Chairperson at Committee meeting  Acts of Board or Committee valid notwithstanding defect of appointment
101.		Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	Passing of resolution by circulation
		<b>Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer</b>	
102.	(a)	Subject to the provisions of the Act,— A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive	Chief Executive Officer, etc.

officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.

- (b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Director may be chief executive officer, etc.

### Registers

- 103.** The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Statutory registers
- 104. (a)** The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. Foreign register
- (b) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, *mutatis mutandis*, as is applicable to the register of members.

### The Seal

- 105. (1)** The Board shall provide for the safe custody of the seal. The seal, its custody and use
- (2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of a duly Constituted Attorney for the Company or at least one Director or Manager, if any, and of the Secretary or such other person as the Board may appoint for the purpose; and such Constituted Affixation of seal

Attorney or Director or Manager and the Secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

### **Dividends and Reserve**

- |             |   |  |
|-------------|---|--|
| <b>106.</b> | The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.  | Company in general meeting may declare dividends |
| <b>107.</b> | Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.   | Interim dividends                                |
| <b>108.</b> | (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. | Dividends only to be paid out of profits         |
|             | (2) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.  | Carry forward of profits                         |
| <b>109.</b> | (1) 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, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.   | Division of profits                              |
|             | (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.   | Payments in advance                              |
|             | (3) 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.  | Dividends to be apportioned                      |

- |                 |     |   |   |
|-----------------|-----|---|---|
| 110.            | (1) | The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.  | No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom |
|                 | (2) | The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.   | Retention of dividends  |
| 111.            | (1) | Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. | Dividend how remitted   |
|                 | (2) | Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.   | Instrument of payment   |
|                 | (3) | Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.   | Discharge to Company  |
| 112.            |     | Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.  | Receipt of one holder sufficient  |
| 113.            |     | No dividend shall bear interest against the Company.  |   |
| 114.            |     | The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.   | Waiver of dividends   |
| <b>Accounts</b> |     |   |   |
| 115.            | (1) | The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.   | Inspection by Directors   |
|                 | (2) | No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.  | Restriction on inspection by members  |



### **Winding up**

- |             |  |                       |
|-------------|--|-----------------------|
| <b>116.</b> | Subject to the applicable provisions of the Act and the Rules made thereunder -<br><br>(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.<br><br>(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.<br><br>(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability. | Winding up of Company |
|-------------|--|-----------------------|

### **Indemnity and Insurance**

- |                 |   |   |
|-----------------|---|---|
| <b>117. (a)</b> | Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.<br><br>(b) Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court. | Directors and officers right to indemnity |
|-----------------|---|---|

- (c) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

#### General Power

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

- \* **The existing Articles of Association was replaced with the New Articles of Association containing regulations in conformity with the Companies Act, 2013 and as approved pursuant to the Special Resolution passed by the Members of the Company through Postal Ballot Process and the result thereof declared on 30th September, 2014 in substitution for, and to the entire exclusion of, the earlier Regulations comprised in the extant Articles of Association of the Company.**

**THE KESAR SUGAR WORKS, LIMITED**  
**SPECIAL RESOLUTION**

Passed on 14th December 1936. Confirmed on 29th December 1936.

At an Extraordinary General Meeting of the Kesar Sugar Works, Limited duly convened and held at the Registered Office of the Company at 45-47, Apollo Street, Fort, Bombay, on the 14th day of December 1936 the subjoined Special Resolution was duly passed and at the subsequent Extraordinary General Meeting of the said Company also duly convened and held at the same place on the 29th day of December 1936 the subjoined Special Resolution was duly confirmed:—

"RESOLVED that 4,000 shares of Rs. 500/- each in the Authorised Capital of the Company be divided into 20,000 shares of Rs. 100/- each and that the existing 3,000 partly paid up shares of Rs. 500/- into the Capital of the Company with Rs. 400/- on each share paid up be divided into 15,000 shares of Rs. 100/- each upon each of which a sum of Rs. 20/- shall be credited as paid up."

**THE KESAR SUGAR WORKS, LIMITED**  
**SPECIAL RESOLUTION**

Copy of the Special Resolution passed at the Extraordinary General Meeting of the Kesar Sugar Works, Limited, on the 22nd day of December 1941.

- (1) That the Capital of the Company be increased to Rs. 1,00,00,000/- (Rupees One Crore) by the creation of 30,000 new shares of Rs. 100/- each, of which 30,000 shares shall be ordinary shares and the 50,000 shares shall be Preference shares. The 20,000 shares of the existing authorised Capital shall be treated as ordinary shares.
- (2) That out of the 50,000 Preference shares so created, 20,000 shares of Rs. 100/- each shall be 5½% Cumulative First Preference Shares.
- (3) That out of such 20,000 5½% Cumulative First Preference Shares of Rs. 100/- each, 15,000 shares of Rs. 100/- each shall, at present, be issued as Redeemable Preference Shares to be called Redeemable 5½% Cumulative First Preference Shares of Series A subject in all respects to the Articles of Association of the Company and such 15,000 Redeemable 5½% Cumulative First Preference Shares of Series A shall have the following rights and obligations attached thereto:
  - (a) The holders of the said Preference Shares shall be entitled out of the profits of the Company which the Directors may determine to be available for payment of dividends as provided in the Articles of Association of the Company to a fixed Cumulative Preferential Dividend at the rate of 5½% per annum payable on the accounts of the Company being passed at its annual general meeting on the Capital for the time being paid or credited as paid thereon respectively to be calculated from the date of allotment of each Preference Share, on account of which dividend the Company will pay an Interim dividend in each year if in the opinion of the Directors the position of the Company so permits.

- (b) The holders of the said Preference shares have priority as regards dividend over all other shares in the Capital of the Company (except the remaining 5,000 5½% Cumulative First Preference Shares of Rs. 100/- each which may be issued under Resolution No. 7 but shall not have any further, right to participate in profits;
- (c) The holders of the said Preference shares shall have priority in the case of winding up, as to return of Capital and payment of arrears of the said Preferential dividend, whether declared or undecleared upto the commencement of the winding up, over all other shares in the Capital of the Company (except the remaining 5,000 5½% Cumulative First Preference Shares of Rs. 100/- each which may be issued under Resolution No. 7) but shall not have any further right to participate in profits or assets;
- (d) The said Preference shares shall confer no right of voting at any General Meeting of the Company except in the event of default being made by the Company for a period of one year in payment of dividends, if such default shall be made then and so long only as such default continues the holders of ten or more Preference Shares shall have a right of one vote on a show of hands and one vote for every ten shares held on a poll.
- (e) The Company shall have the right after the 31st day of December 1951 to redeem from time to time all the said Preference Shares or such of them as the Directors of the Company may from time to time decide at a premium of Rs. 5/- per share after giving six months previous notice in writing in that behalf addressed to the holders of the Preference Shares so to be redeemed. Such notice shall be sent in the manner provided in the Articles for sending Notices and shall specify the day upon which and the time at which the Company will redeem the shares so to be redeemed at the Registered Office of the Company.

The holders of the shares so to be redeemed shall surrender the share certificates for such shares to the Company against payment of the redemption price and accrued interest.

In the event of the holder of any share regarding which the Company may give a notice of intended redemption failing to surrender his share certificates to the Company upon the day and at the time specified in the notice and to receive the money therefor, such person shall, as from the day mentioned in the notice, cease to be a member of the Company and his name shall be removed from the Register of Members but he shall be entitled to receive the redemption price of his share and accrued interest which price and interest shall not carry any interest as against the Company.

- (f) The rights and privileges hereby attached to the said Preference Shares may be varied, abrogated, extended, or surrendered as provided in the Articles of Association of the Company but not further or otherwise provided however that no additions or alterations in the Articles of

Association of the Company detrimental to the rights and privileges of the holders of the said Preference Shares shall be made without the unanimous consent of the said Preference shareholders.

- (g) The certificates in respect of such new shares shall be complete and ready for delivery within six months after the allotment.
- (4) That the said 15,000 Preference shares now to be issued upon the condition that Rs. 25/- is to be paid up on each share with the application, Rs. 25/- on allotment and the remaining Rs. 50/- shall be called up within twelve months later on from time to time as decided by the Directors and two calendar months notice of each call so made shall be given to the holders of the Preference Shares.
- (5) That the said 15,000 Preference Shares of Rs. 100/- each be offered in the first instance to the shareholders of the Company whose names shall appear in the Register of shareholders on the 22nd day of December 1941 upon the following terms:—
- (a) That each shareholder whose name shall appear in the Register of shareholders on the 22nd day of December 1941 shall on application, accompanied by the amount payable with such application, being made by him to the Directors and received on or before the 15th day of January 1942 have preferential right to an allotment of one Preference Share for every one of the existing shares of the Company held by him and standing in his name in the Register of Shareholders on the 22nd day of December 1941 and shall have the right, subject to the right of rejection of the Directors, to renounce the preferential right to allotment of all or any of such shares to his nominee or nominees.
- (b) That any shareholder whose application shall not be received by the Directors on or before the 15th day of January 1942 shall be deemed to be unwilling to take up the shares which he is entitled to take.
- (6) That the Directors be authorised to dispose of and allot any of the said 15,000 Preference Shares of Rs. 100/- each not applied for by the shareholders under the last preceding resolution within the time thereby fixed to such persons whether shareholders of the Company or not as the Directors may think fit.
- (7) That the Directors be authorised to issue the remaining 5,000 5½% Cumulative First Preference Shares of Rs. 100/- each from time to time at such price and upon such terms and conditions, but with the same right of voting and time of redemption as the Redeemable 5½% Cumulative First Preference Shares of Series A, as they may from time to time determine and such shares shall rank pari passu as regards priority in payment of dividends, return of Capital and arrears of dividends with the 15,000 Redeemable 5½% Cumulative First Preference Shares of Series A now resolved to be issued.

- (B) That the Directors be authorised to issue the shares at present unissued out of the original Capital of the Company and the remaining shares hereby created except those in Resolution No. 7 from time to time at such price and upon such terms and conditions and with such rights and privileges annexed thereto and with or without preferential or qualified rights to dividend and/or in the distribution of the assets of the Company and with a special or without any right of voting as they may from time to time determine, without prejudicially affecting the rights of the cumulative First Preference Shares.

Copy of the Resolution passed at the Extraordinary General Meeting of the Kesar Sugar Works, Limited, on the 21st day of April 1945.

- (1) That the capital of the Company be increased to Rs. 1,27,50,000/- by the creation of 15,000 Ordinary Shares of Rs. 50/- each and 20,000 Preference Shares of Rs. 100/- each.

**THE KESAR SUGAR WORKS LTD.  
SPECIAL RESOLUTIONS**

Copy of the Resolution passed as Special Resolutions by the majority required by Section 106 of the Companies Act, 1956 at the Extraordinary General Meeting of The Kesar Sugar Works Ltd. held on the 9th day of November, 1958.

1. Resolved that each of the existing ordinary Shares of Rs. 100/- each on which Rs. 80/- per share has been paid up the dividend into two shares of Rs. 50/- each upon which the sum of Rs. 40/- shall be credited as paid up ranking in all respects pari passu with the existing Ordinary Shares of Rs. 50/- each in the capital of the Company.
2. Resolved that subject to the provisions of the Companies Act 1956 and the Articles of Association of the Company the holder of each ordinary share in the capital of the Company shall have a right to vote in respect thereof on every Resolution placed before the Company and on a poll shall have one vote for each such Ordinary Share of Rs. 50/-.
3. Resolved that the rights of the holders of the existing Ordinary Shares in the Capital of the Company be varied accordingly.

Copy of the Resolution passed at the Extraordinary General Meeting of the Shareholders of The Kesar Sugar Works Limited held on 9th November, 1958.

"RESOLVED that after considering the notice of M/s. Kilachand Devchand & Co., dated 21st April 1958 resigning their office as Managing Agents of the Company with effect from 30th April 1958 and after considering the Statement of Affairs of the Company as at the 30th April 1958 Balance Sheet made out as of that date and the Profit & Loss Account for the period from 1st August 1955 to 30th April 1958 and the Report of the Auditors on such Balance Sheet and Profit & Loss Account, the resignation of the Managing Agents, M/s. Kilachand Devchand & Co. be and the same is hereby accepted with effect from 30th April 1958".

Copy of the Special Resolution passed at the Twenty-ninth Annual General Meeting of the Kesar Sugar Works Limited held on 28th day of January 1963.

"RESOLVED that 35,000 unissued Ordinary (Equity) Shares of Rs. 100/- each in the authorized Capital of the Company be sub-divided into 70,000 Ordinary (Equity) Shares of Rs. 50/-."

Copy of a Special Resolution passed at the Annual General Meeting of the Kesar Sugar Works Ltd., held on the 28th day of January, 1963.

"RESOLVED that the Regulations contained in the printed document submitted to this meeting and for the purpose of identification signed by the Chairman thereof be approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company."

Copy of the Special Resolution passed at the Thirty-first Annual General Meeting of the Kesar Sugar Works Limited held on 29th day of January 1965.

"Resolved that the following sentence be added at the end of Article 64:"

"The Directors may waive payment of any fee payable under this Article or under Article 63 above".

Copy of the Special Resolution passed at the Extra Ordinary General Meeting of The Kesar Sugar Works Ltd., held on the 23rd August 1966.

"RESOLVED that the Articles of Association of the Company be altered as follows :—

viz :—

(a) Article 100 (1) (a)

In the fourth line delete the word "fourteen" and in its place substitute the word "thirty."

(b) Article 103

Add the following as sub-clause (3) after sub-clause (2),

(3) "Where any shares are held in trust by a person (hereinafter referred to as the trustee) the rights and powers (including the right to vote by proxy) exercisable at any meeting of any class of members of the company by the trustee as a member of the company shall be exercisable in the manner provided in section 187 B of the Act save as provided by section 153 B of the Act."

(c) Article 138 (1)

(i) In the first line delete the word "after" and in its place substitute the words "within thirty days after."

(ii) In the third and fourth lines delete the words "at the same time as the copy of the Annual Return referred to in section 161 of the said act."

## (d) Article 149 :

In the last three lines delete the words "and unless he is a technical Director" to the word "appointment."

## (e) Article 152 :

Delete the existing Article 152 and in its place substitute the following Article.

152. Until otherwise resolved by the company in general meeting in accordance with the provisions of section 309 and other sections of the Act, the remuneration of every Director inclusive of the Managing Director (if any) whole-time Director (if any) alternate Director (if any) and the Debenture Director (if any) shall be Rupees Five Hundred for every meeting of the Board or of a Committee consisting wholly or partially of Directors attended by him, unless and for such period as the Board of Directors shall fix a lesser amount. The remuneration payable to any Director whether by way of fee for attending meetings as above provided or by way of a monthly, quarterly or annual payment or by way of commission based on the net profits of the company shall be inclusive of the remuneration payable to him for services rendered by him in any other capacity : Provided that any remuneration to services rendered by any Director in any other capacity shall not be so included if

- (a) the services rendered are of a professional nature, and
- (b) in the opinion of the Central Government the Director possesses the requisite qualifications for the practice of the profession.

## (f) Article 154 :

Delete clause (4)

## (g) Article 156 :

Delete the words "or sub section (3) of section 280 or Article 154 (4)" from paragraph (v) of clause (c).

## (h) Article 157 :

In the first line delete the words "Subject to the provisions of section 281 of the said Act"

## (i) Article 158 :

- (1) In the first line after the words "other than" add the words "a director retiring by rotation or otherwise or"
- (2) Delete clause (b) and in its place substitute the following
  - (b) A person other than —
    - (1) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or



- (2) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under section 262 or Article 162, appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office, or
- (3) a person named as a Director of the company under its articles as first registered, 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.

(j) Article 167 :

- (i) Delete clause (1)
- (ii) In the fourth line delete the brackets and figure "2"
- (iii) In the Sixth and Seventh lines delete the words "first day on which the contravention occurs" and substitute the words "date provided in sub section (2) of section 314."

(k) Article 169 :

In the second, third and fourth lines delete the words "three calendar months and not more than two months shall intervene between the last day of the calendar month in which such meeting is held and the date of the next meeting" and substitute the words "three months and at least four such meeting shall be held in every year."

(l) Article 192 :

- (i) In the first line delete the first word "The" and substitute the words "Subject to the provisions of the Act the."
- (ii) In the first and second lines delete the words in brackets
- (iii) In the second and third lines of clause (c) delete the words "shall from time to time be fixed by the Directors and."

Copy of a Special Resolution passed at the Extra Ordinary General Meeting of The Kesar Sugar Works Ltd., held on the 10th day of May, 1974.

"RESOLVED that the authorised share capital of the Company be and hereby increased from Rs. 1,27,60,000 divided into 1,15,000 Ordinary (Equity) shares of Rs. 50/- each, 20,000 Redeemable 5½ per cent Cumulative First Preference shares of Rs. 100/- each and 50,000 Cumulative Second Preference shares of Rs. 100/- each to Rs. 2,70,00,000/- divided into 4,00,000, Ordinary (Equity) shares of Rs. 50/- each, 20,000 Redeemable 5½ per cent Cumulative First Preference shares of Rs. 100/- each and 50,000 Cumulative Second Preference shares of Rs. 100/- each and that the conditions of the Memorandum of Association of the company and article 3 of the Articles of Association of the Company shall be altered accordingly."

Copy of the Special Resolution passed at the Fiftieth Annual General Meeting of the Kesar Sugar Works Limited held on 31st May, 1984.

"RESOLVED THAT subject to the approval of the Central Government, the name of the Company be changed from the Kesar Sugar Works Limited to Kesar Enterprises Limited."

Copy of the Resolutions passed at the Extraordinary General Meeting of the Shareholders of The Kedar Sugar Works Limited held on 13th December, 1984.

1. Ordinary Resolution :

"RESOLVED that each existing Equity Share of Rs. 50/- each in the capital of the Company be sub-divided into five Equity Shares of Rs. 10/- fully paid-up".

2. Ordinary Resolution :

RESOLVED that the first Paragraph of Clause V of the Memorandum of Association be deleted and the following be substituted."

"The Authorised Share Capital of the Company is Rs. 2,70,00,000/ (Rupees Two Crores Seventy Lacs) divided into 20,00,000 Ordinary (Equity) Shares of Rs. 10/- each, 20,000 Redeemable 5½ Cumulative First Preference Shares of Rs. 100/- each and 50,000 Cumulative Second Preference Shares of Rs. 100/- each, capable of being increased, and with power to the Company to reduce or repay capital for the time being of the Company or any portion thereof, in accordance with the Company's regulations and the legislative provisions for the time being in force in that behalf."

3. Special Resolution :

"RESOLVED that the first Paragraph of Article 3 of the Articles of Association of the Company be deleted and the following be substituted."

"The Authorised Share Capital of the Company is Rs. 2,70,00,000 (Rupees Two Crores Seventy Lacs) divided into 20,00,000 Ordinary (Equity) Shares of Rs. 10/- each, 20,000 Redeemable 5½ % Cumulative First Preference Shares of Rs. 100/- each and 50,000 Cumulative Second Preference Shares of Rs. 100/- each subject to being increased as hereinafter provided and in accordance with the regulations of the Company and the legislative provisions for the time being in force. Subject to the provisions of the Said Act, the Shares in the Capital of the Company for the time being whether original or increased or reduced may be divided into classes, with any preferential, deferred, qualified, or other rights, privileges conditions or restrictions attached thereto, whether in regard to dividend, voting, return of Capital or otherwise."

4. Special Resolution :

"RESOLVED that the Articles of Association of the Company be altered by substituting the word "twelve" for the word "nine" as appearing in the existing Article 147."

Names of Subscribers	Addresses and Descriptions of Subscribers.	Number of shares taken by Subscribers	Witnesses to the signature of Subscriber
NANDLAL KILACHAND ..	Merchant, Apollo Street, Fort, Bombay.	202 (Two hundred and two only)	B. K. Daphtary Solicitor, Bombay.
TULSIDAS KILACHAND ..	Do.	101 (One hundred and one only)	
RAMDAS KILACHAND ..	Do.	101 (One hundred and one only)	
AMBALAL KILACHAND ..	Do.	101 (One hundred and one only)	
HURSUKHRAI C. MEHTA ..	Private Service, Kalbedayl, Kolbhat Lane, Bombay.	5 (Five only)	
CHANDULAL V. DIVAN ..	Girgaum Back Road, Bombay. Solicitor.	5 (Five only)	
JIVANLAL CHHOTALAL ..	Merchant, Apollo Street, Fort, Bombay.	5 (Five only)	

Dated this 1st day of August 1933.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
 ORDINARY ORIGINAL CIVIL JURISDICTION  
 COMPANY PETITION NO. 97 OF 1979  
 CONNECTED WITH  
 COMPANY APPLICATION NO. 298 OF 1978.

Coram : Mrs. Sujata Manohar J.

13th June, 1979.

In the matter of the Companies Act, 1956:

And

In the matter of the Kesar Sugar Works Limited, a public limited Company incorporated under the Indian Companies Act, 1913, and having its registered office at 7, Jamshedji Tata Road, Churchgate Reclamation, Bombay-400 020.

The Kesar Sugar Works Limited, a public limited  
 Company incorporated under the Indian Companies  
 Act, 1913, and having its registered office at  
 7, Jamshedji Tata Road, Churchgate Reclamation,  
 Bombay-400 020.

UPON the Petition of The Kesar Sugar Works Limited, the Company abovesaid presented to the Honourable Court on the 14th day of February 1979 for sanction of an Arrangement embodied in the Scheme of Amalgamation of the Distillers' Trading Corporation Limited (hereinafter referred to as "the Transferor Company") with The Kesar Sugar Works Limited (hereinafter referred to as "the Transferee Company") and for other consequential reliefs as in the Petition mentioned AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Kannaiyalal Dharamlal Sheth, dated the 14th day of February 1979, verifying the said Petition AND UPON READING the Affidavit of Krishappa D. Kulkarni dated the 23rd day of March 1978, showing the publication of the Notice of the said Petition AND UPON READING the Order dated the 18th day of December 1978, made by this Honourable Court in Company Application No. 298 of 1978, whereby the Transferee Company was ordered to convene a meeting of the members of the Transferor Company for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of Amalgamation proposed to be made between the Transferor Company and the Transferee Company and annexed as Exhibit "C" to the Affidavit of Kannaiyalal Dharamlal Sheth, dated the 18th day of December 1978, in support of the said Company Application AND UPON PERUSING the issue of the Maharashtra Government Gazette dated the 28th day of December 1978 and the issues of the Times of India dated the 5th day of January 1979, of the Bombay Samachar dated the 4th day of January 1979 and of Lokmat dated the 5th day of January 1979 each containing the advertisement of the said Notice convening the said Meeting directed to be held by the said Order dated the 18th day of December 1978 AND UPON READING the Affidavit of Lalchand Hirachand, dated the 19th day of January 1979, showing the publication and despatch of the Notice convening the said meeting, AND UPON

READING the Report dated the 5th day of February, 1978 of Latchand Hirachand, the Chairman of the said meeting, as to the result of the said meeting AND UPON HEARING Mr. S. H. Doctor, Advocate for the Transferee Company and Mr. R. L. Mukherjee, Advocate for the Regional Director, Company Law Board, Bombay, on behalf of the Central Government who appears in pursuance of the Notice herein dated the 2nd day of March 1978, under Section 394-A of the Companies Act, 1956, and states that the Central Government desires to file no representation and submits to the Orders of this Honourable Court AND it appearing from the said Report of the Chairman of the said meeting that the proposed Scheme of Amalgamation has been approved by a majority of not less than 3/4th in value of the members present and voting in person and by proxy AND UPON the Transferee Company through its said Advocate stating to this Honourable Court that in view of the Order dated the 4th day of November 1978 of the Central Government under Section 23(2) of the Monopolies and Restrictive Trade Practices Act, 1969, the Transferee Company will continue to implement the expansion programme and insure that the interests of the cane growers are not adversely affected THIS COURT DOETH HEREBY SANCTION the Arrangement embodied in the Scheme of Amalgamation of the Distillers' Trading Corporation Limited, the Transferor Company, with The Kesar Sugar Works Limited, the Transferee Company, as set forth in Paragraph 8 of the said Petition and also in the Schedule hereto AND DOETH HEREBY DECLARE the same to be binding on all the members of the Transferee Company and the Transferor Company and also on Transferee Company and the Transferor Company AND THIS COURT DOETH ORDER that the undertaking and all properties, rights, and powers of the Transferor Company with effect from 30th day of September 1977 be transferred without further act or deed to the Transferee Company and the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and do vest in the Transferee Company free from all estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same AND THIS COURT DOETH FURTHER ORDER that all liabilities, duties and obligations of the Transferor Company with effect from 30th day of September 1977 be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and do become the liabilities, duties and obligations of the Transferee Company AND THIS COURT DOETH FURTHER ORDER that all proceedings, if any, pending as on the 30th day of September 1977, by or against the Transferor Company be continued by or against the Transferee Company AND THIS COURT DOETH FURTHER ORDER that the Transferee Company do take over all such employees, if any, of the Transferor Company as are willing to join the Transferee Company as far as possible on the same terms and conditions on which they are employed by the Transferor Company and the services of such employees with the Transferor Company prior to the taking over herein will not be treated as having been broken for the purposes, but will be reckon for all such purposes from the date of their appointment with the Transferor Company AND THIS COURT DOETH FURTHER ORDER that in consideration of the transfer herein, the Transferee Company do surrender to the Transferor Company for being cancelled the entire issued subscribed and paid-up capital of the Transferor Company consisting of 4802 Equity shares of Rs. 100/- each held by the Transferee Company and their nominees in the share capital of the Transferor Company AND THIS COURT DOETH FURTHER ORDER that the Transferor Company shall till the 30th day of September 1977 stand possessed of the properties so as to be transferred and shall carry on its business in and on behalf of and in trust for Transferee Company and the Transferor Company shall account and be entitled to be indemnified accordingly AND THIS COURT DOETH FURTHER ORDER that the Transferee Company do within thirty days after the date of sealing of this Order cause a certified copy of this Order to be delivered to the Registrar of Companies, Maharashtra,

Bombay, for registration AND THIS COURT DOETH FURTHER ORDER that the Petitioner do pay the sum of Rs. 300/- to the Regional Director, Company Law Board, Bombay as costs of the said Petition AND THIS COURT DOETH LAST ORDER that the parties to the Scheme of Amalgamation sanctioned herein or any person or persons interested shall be at liberty to apply to this Honorable Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein or in the above matter WITNESS BALKRISHNA NARHAR DESHMUKH, ESQUIRE, Chief Justice at Bombay aforesaid, this 13th day of June 1978.

By the Court,

SEAL

Sd/- I.S. MECWAN

Sd/- I. S. MECWAN

for Prothonotary and Senior Master.

SEALER

This 28th day of Sept. 1978.

Order sanctioning Scheme of Amalgamation drawn on Application }  
of Messrs. Dadphary Ferreira & Divan, Advocates for the Petitioner, }  
having their Office at 13-19 Nagindas Master Road, Fort, }  
Bombay-400 023. }

#### SCHEDULE

- 1) The undertaking and all the properties, rights and power of Distillers' Trading Corporation Limited (hereinafter called "the Transferor Company") be without further act or deed transferred to and made to vest in The Kesor Sugar Works Limited. (hereinafter called "the Transferee Company") with effect from the 30th day of September 1977, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956, for all the estates and interests of the Transferor Company but subject nevertheless to the charges, if any, affecting the same.
- 2) All the liabilities, duties and obligations of the Transferor Company be also without further act or deed transferred to the Transferee Company with effect from the said 30th day of September 1977, pursuant to the provisions of the said Sections 391 to 394 of the Companies Act, 1956, as so to become as from that day the liabilities, duties and obligations of the Transferee Company.
- 3) All proceedings, if any, pending at the time of such transfer by or against the Transferor Company be, on such transfer, continued by or against the Transferee Company.
- 4) The Transferee Company will on such transfer take over all such employees if any, of the Transferor Company as are willing to join the Transferee Company as far as possible on the same terms on which they are employed by the Transferor Company and their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes but will be reckoned for all such purposes from the date of their appointment with the Transferee Company.

- 5) The amalgamation of the Transferor Company with the Transferee Company will be made on the basis that the entire issued, subscribed and paid up capital of the Transferor Company viz. : 4,802 Equity shares of Rs. 100/- each held by the Transferee Company and their nominees in the Transferor Company will be surrendered by the Transferee Company to the Transferor Company for being cancelled.
- 6) The scheme of amalgamation will be subject to such modifications as the High Courts having jurisdiction in respect of the Transferor Company and Transferee Company while sanctioning such amalgamation may direct and the Directors of the Transferor Company and Transferee Company may accept and assent to such modifications.
- 7) On a majority in number representing three fourths in value of the respective members of the Transferor Company and the Transferee Company present either in person or by proxy at their respective meetings to which this scheme shall be submitted pursuant to the directions to be given by the respective High Courts as required by Section 391 of the Companies Act, 1956, agreeing to this Scheme, the Transferor Company and the Transferee Company shall proceed with reasonable despatch with the necessary applications to be made by them to the respective High Courts for the purpose of obtaining an order under Section 394 for carrying into effect the Scheme of Amalgamation as between the Transferor Company and the Transferee Company and for dissolution of the Transferor Company without winding up.
- 8) The Transfer of the Transferor Company to the Transferee Company to be made under this Scheme when sanctioned by the High Court shall take effect as from the 30th day of September, 1977, and until the completion of such transfer the Transferor Company shall stand possessed of its properties as to be transferred and shall carry on its business for and on behalf of and in trust for the Transferee Company and the Transferor Company shall account and be entitled to be indemnified accordingly.

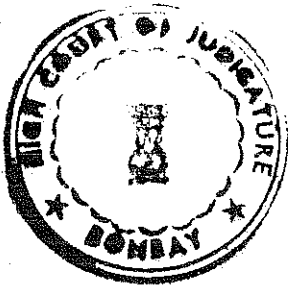
Seal of the  
High Court of Judicature,  
Bombay.

CERTIFIED TO BE A TRUE COPY  
This 28th day of Sept. 1979  
Sd/-  
For Prothonotary and Senior Master

# HIGH COURT, BOMBAY

0124905

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO 28 OF 2010  
CONNECTED WITH  
COMPANY APPLICATION NO. 1151 OF 2009



In the matter of the Companies Act, 1956
AND
In the matter of Sections 391 and 394 read with Sections 78 and 100 to 103 of the Companies Act, 1956
AND
In the matter of Scheme of Arrangement
In the matter of Storage Undertaking known as Distillers' Trading Corporation (DTC) Division of Kesar Enterprises Limited
AND
In the matter of Kesar Enterprises Limited a company registered under the Companies Act, 1956 and having its Registered Office at Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai - 400 020.
AND
In the matter of Kesar Terminals & Infrastructure Limited a company registered under the Companies Act, 1956 and having its registered office at Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai - 400 020
AND
Demerger of the Storage Undertaking known as Distillers' Trading Corporation (DTC) Division of Kesar Enterprises Limited as a going concern to Kesar Terminals & Infrastructure Limited



Kesar Enterprises Limited )  
A company registered under the Companies )  
Act, 1956 and having its register office at )  
Oriental House, 7, Jamshedji Tata Road )  
Churchgate , Mumbai – 400 020 ) ..Petitioners

AND

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 29 OF 2010  
CONNECTED WITH  
COMPANY APPLICATION NO. 1152 OF 2009**

Kesar Terminals & Infrastructure Limited )  
A company registered under the Companies )  
Act, 1956 and having its register office at )  
Oriental House, 7, Jamshedji Tata Road )  
Churchgate , Mumbai – 400 020 ) ..Petitioners

Mr. Sanjay Udeshi, Advocate for the petitioner.

Mr. Ashish Agarwal I/b Mr. S. K. Mohapatra for Regional Director

CORAM: S. J. Kathawalla J.

DATE: 12<sup>th</sup> March, 2010

P. C.

1. Heard learned Counsel for parties

2. The sanction of the Court is sought under Sections 391 and 394 read with Section 78 and 100 to 103 of the Companies Act, 1956, to the Scheme of Arrangement for demerging Storage Undertaking known as Distillers' Trading Corporation of Kesar Enterprises Limited, the Transferor Company into Kesar Terminals & Infrastructure Limited, the Transferee Company.
3. The Counsel appearing on behalf of the Petitioner states that they have complied with all the requirements as per directions of this Court and they have filed necessary Affidavit of compliance in the Court. Moreover, the Petitioner Company undertakes to comply with all the statutory requirements, if any, as required under the Companies Act 1956 and the Rules made there under. Undertaking is accepted.
4. The Regional Director has filed an Affidavit stating therein that save and except as stated in paragraph 6 of the said Affidavit the Scheme does not appear to be prejudicial to the interests of the shareholders and the public. The paragraph 6 of the said Affidavit reads thus:-

"That the Deponent respectfully submit.. that the Board of Directors at their meeting held on 22/12/2009 have resolved that sum of Rs. 67,90,000/-, "kept in Share Warrant Application Money Suspense Account" were forfeited with immediate effect. Copy of the Board resolution submitted by Petitioner Company is enclosed and marked as Exhibit 'D'. in view of the above Para No 7 (viii) and 8(c) of the scheme become redundant."

# HIGH COURT, BOMBAY

0124908

4

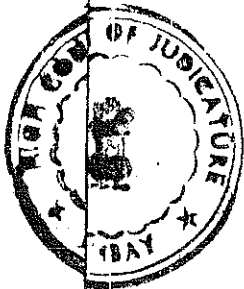
5. In view of the above, the Counsel appearing for the Petitioners seeks leave of this Court to delete Para No. 7 (viii) and 8 (c) of the Scheme. Accordingly, the Petitioners are permitted to delete the said paragraphs by amending the Scheme. The said amendment to be carried out within two weeks from the date of this order.
6. 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.
7. Since all the requisite statutory compliances have been fulfilled, both the Company Petitions are made absolute in terms of prayer clause (A) of the respective Petition.
8. The Transferor Company 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.
9. The Petitioners to pay costs of Rs. 7,500/- each to the Regional Director, Western Region, Maharashtra. Costs to be paid within four weeks from today.
10. Filing and issuance of the drawn up order is dispensed with.



**HIGH COURT, BOMBAY**

0124909

5



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

(S. J. Kathawalla J.)

**TRUE-COPY**  
*M. D. Narvekar* 26/03/10  
**M. D. NARVEKAR**  
COMPANY REGISTRAR  
HIGH COURT (J.S.)  
BOMBAY

**TRUE COPY**  
8822 19/3/10  
*[Signature]*  
Section Officer  
High Court, Appellate Side  
Bombay

**SCHEME OF ARRANGEMENT**  
**BETWEEN**  
**KESAR ENTERPRISES LIMITED - TRANSFEROR COMPANY**  
**AND**  
**KESAR TERMINALS & INFRASTRUCTURE LIMITED-RESULTING COMPANY**  
**AND THEIR RESPECTIVE MEMBERS AND CREDITORS**  
**UNDER SECTION 391 AND 394 OF THE COMPANIES ACT 1956**

This Scheme of Arrangement provides for Demerger / Spin off of the Storage Undertaking known as Distillers' Trading Corporation (DTC) Division of Kesar Enterprises Limited (KEL) as a going concern to Kesar Terminals & Infrastructure Limited (KTIL), pursuant to Sections 391 to 394 and other relevant provisions of the Companies Act, 1956.

1. **PREAMBLE**

A. **Description of Companies:**

(a) The Transferor Company, viz. Kesar Enterprises Limited (KEL) is presently engaged in the business of - manufacture and sale of sugar and its by-products under Sugar Division; manufacture and sale of rectified and other spirits and liquor under Spirits Division; production and sale of agrotech products, which include growing of crops under Agrotech Division; and production and sale of seeds under Seeds Division - a new venture started recently and is picking up very well, in Uttar Pradesh and is also engaged in the business of bulk liquid storage and its handling at 2 bulk liquid chemical terminals, at present, having a combined storage capacity of 1,27,000 Kilo Litres (KL) at Kandla in Gujarat under the name "Kesar Enterprises Limited - DTC Division", which includes specialised tanks, such as stainless steel tanks and tanks equipped with heating and insulation facilities. In 1963, the Company had invested in the entire equity share capital of Distillers' Trading Corporation Ltd. (DTC). DTC was then amalgamated with the Company with effect from 30.9.1977. KEL's Sugar, Spirits, Agrotech and Seeds Undertakings / Divisions manufacturing facilities are situated at Baheri, Dist. Bareilly, Uttar Pradesh. KEL started in 1933 with an initial crushing capacity of 1,200 tonnes cane per day (TCD), which has been increased to 7,200 TCD from time to time. KEL has



one of the most modern and efficient sugar factories in the country. KEL is spending in research & development activities through constant investment in cane research & development, and has successfully developed high yielding and early maturing varieties of sugarcane. KEL has executed a Long Term Lease Deed with the State of Andhra Pradesh for the allotment of 10 acres of Port land on a long term lease basis for storage and handling of petroleum products, edible oil and other liquids in bulk and also dry cargo storage facility. The Company has planned to construct covered and open dry cargo storage of 5,000 and 10,000 square meters of area respectively along with 17 storage tanks of 60,000 KL for bulk liquid cargo. KEL is also in the process of setting up a bagasse based 45 MW power plant in Uttar Pradesh.

- (b) The Resulting Company viz. Kesar Terminals & Infrastructure Limited (KTIL) has been incorporated as a Wholly-owned Subsidiary of KEL on 21st January 2008 and has obtained a Certificate of Commencement of Business on 18th March 2008. The main object of KTIL is to carry on the business of storage and infrastructure development.

**B. Rationale for the Scheme of Arrangement:**

- (a) The Storage business has good growth and long term profitability potential and is at a stage where it requires focused management attention, different skill sets and resource requirements. The Sugar, Spirits, Agrotech and Seeds Undertakings / Divisions are established businesses and have a different risk and reward profile from the Storage Undertaking / Division. Both the businesses are unrelated and have no synergy of operations. The Storage business is a service oriented business that requires high financial resources and is long-term in nature and is different in nature from a manufacturing business. KEL intends to reorganise both the businesses and Undertakings to provide focused management attention required by both the businesses and hence it is proposed to segregate the business into different Companies by way of Demerger of the Storage Undertaking.



(b) It is believed that the proposed segregation of the Storage Undertaking will create / unlock greater value for the shareholders in future and allow a focused strategy in operations, which would be in the best interest of KEL, its shareholders and other stakeholders. The Demerger proposed by this Scheme of Arrangement will enable the investors to choose whether to hold investments in businesses with different investment characteristics or to select investments in a business, which best suit their investment strategies and risk profiles.

(c) The nature of risk and return involved in businesses of both the Undertakings is distinct from each other and consequently each Undertaking is capable of attracting a different set of investors, strategic partners, lenders and other stakeholders. In order to enable a distinct set of investors to invest in the separate businesses and to lend a greater focus to the operations of each of these diverse businesses, KEL proposes to reorganise the businesses by segregating the Storage Undertaking / business into a separate Company viz. KTIL, by way of a Demerger.

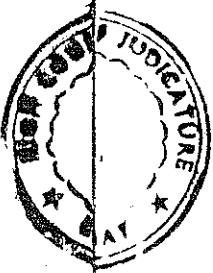
(d) The Demerger will also provide scope for independent collaboration and expansion of each individual Undertaking / business without committing the existing organization in its entirety.

(e) The Board of Directors of KEL is of the opinion that the Demerger would benefit the shareholders, employees and other stakeholders of the Demerged Company.

With the aforesaid objectives, it is proposed to Demerge KEL's interests in the Storage Undertaking business.

**C. Purpose of the Scheme:**

(a) It is, therefore, proposed that KEL's Undertaking comprising of KEL's interests in the Storage business be segregated and Demerged, pursuant to a Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 and transferred to a separate company for achieving an independent focus in



these areas. KEL will continue its interests in the businesses of manufacturing, marketing and sale of Sugar, Spirits, Agrotech products and Seeds.

(b) With the aforesaid objective and to give effect to the terms of this Scheme of Arrangement, the Resulting Company has been incorporated as a wholly-owned subsidiary of KEL with the main objects relating to the Storage and Infrastructure development.

(c) In furtherance of the aforesaid, this Scheme of Arrangement provides for:

(i) the Demerger of the Storage Undertaking (as Storage Undertaking defined hereinafter) from KEL to the Resulting Company;

(ii) various other matters consequential or otherwise integrally connected herewith, including the reorganization of the capital of the Transferor Company and the Resulting Company;

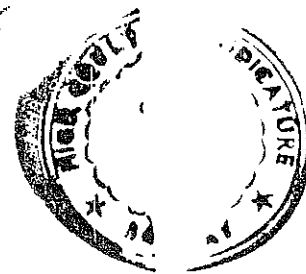
(d) The Demerger of the Storage Undertaking of KEL under this Scheme of Arrangement will be effected under the provisions of Sections 391 to 394 of the Companies Act, 1956. The Demerger complies with the provisions of Section 2(19AA) of the Income Tax Act, 1961, such that:

(i) All the properties of the Storage Undertaking (as defined hereinafter) being transferred by KEL immediately before the Demerger become the properties of the Resulting Company by virtue of the Demerger;

(ii) All the liabilities relating to the Storage Undertaking being transferred by KEL, immediately before the Demerger become the liabilities of the Resulting Company by virtue of the Demerger;

(iii) The properties and the liabilities, if any, relating to the Storage Undertaking being transferred by KEL are transferred to the Resulting Company at the values appearing in the books of account of KEL immediately before the Demerger;

(iv) The Resulting Company issues shares to the shareholders of KEL in consideration of the Demerger on a proportionate basis;





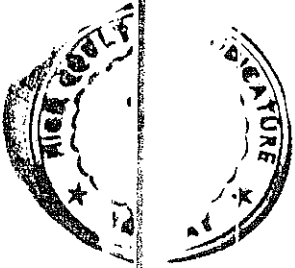
- (v) The shareholders of KEL shall become the shareholders of the Resulting Company by virtue of the Demerger; and  
(vi) The transfer of the Storage Undertaking will be on a going concern basis.

(e) This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme is / are inconsistent with the provisions of Section 2(19AA) of the Income Tax Act, 1961, the provisions of Section 2(19AA) of the Income Tax, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income Tax Act, 1961; such modification to not affect other parts of the Scheme.

**D. DEFINITIONS:**

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning: -

- (a) 'Act' means the Companies Act, 1956 including any statutory modifications, re-enactments or amendments thereof.  
(b) 'Appointed Date' means the commencement of 1st day of January, 2009 or such other date as may be approved by the High Court.  
(c) 'Court' or 'High Court', means High Court of Judicature at Mumbai, and shall include the National Company Law Tribunal, if applicable.  
(d) 'Company' or 'Transferor Company' or 'KEL' or 'Demerged Company' means Kesar Enterprises Limited, a public company incorporated under the Companies Act, 1913 and having its Registered Office at Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai - 400020.  
(e) 'Effective Date' means the last of the dates on which the sanctions / approvals or orders as specified in Clause No.19 of this Scheme have been obtained and / or filed.  
(f) 'Resulting Company' or "Transferee Company" or "KTIL" means Kesar Terminals & Infrastructure Limited, a company limited by shares, incorporated under the Companies Act, 1956



having its Registered Office at Oriental House, 7, Jamshedji Tata Road, Churchgate, Mumbai - 400020.

- (g) 'Record Date' means the date fixed by the Board of Directors of the Transferor Company in consultation with the Resulting Company for the purpose of reckoning names of the equity shareholders of the Transferor Company, who shall be entitled to receive shares of the Resulting Company upon coming into effect of this Scheme as specified in Clause 8.a of this Scheme.
- (h) "Storage Activities" means all the activities and business of KEL of tanking, warehousing, handling and storage of liquid or solid hazardous or non-hazardous goods, cargo, materials, containers, articles, things and all types of port related activities, infrastructure development and construction activities of roads, dams, bridges and conventional and non-conventional, renewable and non-renewable, energy generation, but shall not include such storage activities as are undertaken by the Sugar, Spirits, Agrotech or Seeds Divisions and also bagasse based power generation activities.
- (i) "Storage Undertaking" shall mean and include:
- I) All the assets, movable and immovable properties of the Storage Activities of KEL as on 31st December, 2008 (hereinafter referred to as 'the said Assets').
  - II) All secured and unsecured debts, liabilities (including contingent liabilities), duties and obligations of every kind and nature whatsoever and howsoever accruing or arising out of and all loans or borrowings raised and incurred and utilized for Storage Activities or business, along with any charge, encumbrance, lien or security thereon, of the Storage Activities of KEL as on 31st December, 2008 (hereinafter referred to as 'the said Liabilities').
  - III) Without prejudice to the generality of sub-clause (I) and (II) mentioned above, the Storage Undertaking of KEL shall include all Storage Undertaking's business, operations, storage activities, assets including investments, claims, powers, authorities, allotments, approvals, consents, contracts, enactments, arrangements, rights, titles, interests, benefits, advantages, lease-hold rights and other intangible





rights, hire purchase contracts and assets, lending contracts, benefit of any security arrangements, reversions, permits, quotas, entitlements, registrations, storage and infrastructure registration(s), licences (industrial or otherwise), municipal permissions, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different taxation laws as may belong to or be available to the Storage Undertaking or the Storage Activities of KEL rights and powers of every kind, nature and description of whatsoever probabilities, liberties, easements, advantages, and approval of whatsoever nature and wheresoever situated, belonging to or in ownership, including but without being limited to trade and services marks, patents, copyrights, brand names, and any other intellectual property rights of any nature whatsoever, authorizations, permits, rights to use and avail of telephones, telexes, facsimile, email, internet, lease line connections and installations, utilities, electricity and other services, all records, files, papers, computer programs, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and other records in connection with or in relation to the Storage Undertaking of KEL and all other interests of whatsoever nature belonging to or in the ownership, power, possession, or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Storage Undertaking of KEL.

(j) 'Scheme' means this Scheme of Arrangement in its present form including any modifications or amendments hereto.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, 1956, The Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws as the case may be or any statutory modifications or reenactment thereof from time to time.

2. SHARE CAPITAL

A. The Share Capital of KEL as on 30th June, 2008 (Audited) and 31st December, 2008 is as under:

Authorised Capital

1,20,00,000 Equity Shares of Rs.10/- each	Rs.12,00,00,000
60,00,000 1%-Cumulative Redeemable Preference Shares of Rs.10/- each	Rs. 6,00,00,000
<b>Total</b>	<b>Rs.18,00,00,000</b>

Issued, subscribed and paid up capital

67,90,915 Equity shares of Rs.10/- each.	Rs.6,79,09,150
20,00,000 1%-Cumulative Redeemable Preference Shares of Rs.10/-each	Rs.2,00,00,000
<b>Total</b>	<b>Rs.8,79,09,150</b>

Share Warrants Application Money Suspense Account:  
Rs.67,90,000/- (Rupees Sixty Seven Lacs Ninety Thousand only).

The Equity Shares of KEL are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

B. The Share Capital of the Resulting Company as on 31st December, 2008 is as under:

Authorised Capital

60,00,000 Equity Shares of Rs.10 each	Rs.6.00,00,000
<b>Total</b>	<b>Rs.6,00,00,000</b>

Issued, Subscribed and Paid-up

5,00,000 Equity Shares of Rs.10 each	Rs.50,00,000
<b>Total</b>	<b>Rs.50,00,000</b>



The Equity Shares of Kesar Terminals & Infrastructure Limited, the Resulting Company are, at present, not listed on any Stock Exchange.

The Resulting Company Viz. Kesar Terminals & Infrastructure Limited (KTIL) was incorporated on 21st January, 2008. It is formed as a wholly-owned subsidiary of KEL so as to facilitate the proposed Demerger and transfer of the Storage Undertaking of KEL. If required, upon the Scheme of Arrangement becoming finally effective, the Resulting Company will suitably enhance its Authorised Capital at the appropriate time to enable it to issue Equity Shares in terms of this Scheme.

The Resulting Company will issue Equity shares to the Equity Shareholders of the KEL – the Transferor Company as a result of this Scheme of Arrangement. The issued and paid up capital of the Resulting Company will be aggregate of the existing Equity shares and Equity shares to be issued under this Scheme.

3. **TRANSFER OF UNDERTAKING:**

- (a) With effect from the Appointed Date and subject to the provisions of this Scheme and pursuant to the provisions of Section 394 and other applicable provisions of the Act and in relation to the mode of transfer and vesting, Storage Undertaking of KEL shall, without any further act, instrument or deed, be and the same shall stand transferred to and / or vested in or be deemed to have been and stand transferred to or vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the estate, rights, titles and interests and authorities including accretions and appurtenances thereto such as dividends, or other benefits receivable that of the Resulting Company.
- (b) With effect from the Appointed Date, and subject to the provisions of this Scheme, all the Liabilities of the said Storage Undertaking of KEL shall stand transferred or deemed to have been transferred without any further act, instrument or deed of the Resulting Company, pursuant to the provisions of Section 394 of the Act, so as to become as and from the Appointed



Date, the debts, liabilities, duties and obligations of the Resulting Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause.

- (c) With effect from the Appointed Date, and subject to the provisions of this Scheme all the Employees of the Storage Undertaking of KEL shall stand transferred or deemed to have been transferred with all their accrued liabilities without any further act, instrument or deed of the Resulting Company, pursuant to the provisions of Section 394 of the Act, so as to become as and from the Appointed Date, the employees of the Resulting Company and further that it shall not be necessary to obtain consent of any third party or other person, in order to give effect to the provisions of this Clause.
- (d) Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Storage Undertaking occurs by virtue of this Scheme itself, the Resulting 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 and execute such deeds (including deeds of adherence), confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme, the Resulting 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 referred to above on the part of the Transferor Company to be carried out or performed.
- (e) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licences, certificates, clearances, authorities, leases, tenancy, assignments, allotments, powers of attorney given by, issued to or executed in favour of KEL in relation to the Storage



Undertaking shall stand transferred to the Resulting Company in which the Storage Undertaking shall vest by way of the Demerger hereunder, as if the same were originally given by, issued to or executed in favour of Resulting Company, and Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to Resulting Company. The Resulting Company shall make applications to and obtain relevant approvals from the concerned Government Authorities as may be necessary in this behalf.

- (f) It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Storage Undertaking, which KEL owns or to which KEL is a party and which cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such asset in trust for the benefit of the Resulting Company to which the Storage Undertaking is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is effected.
- (g) Where any of the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of KEL as on the Appointed Date deemed to be transferred to the Resulting Company have been discharged by Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.
- (h) All loans raised and used and all liabilities and obligations incurred by KEL for the operations of Storage Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company in which the Storage Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to and be deemed to be transferred to the Resulting

Company and shall become the debts, liabilities, duties and obligations of the Resulting Company which shall meet discharge and satisfy the same.

- (i) Without prejudice to clause (a) above, it is expressly provided that in respect of such assets belonging to Storage Undertaking of KEL as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by KEL, and shall become the property of the Resulting Company in pursuance of the provisions of Section 394 and other applicable provisions of the said Act.
- (j) the Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or depositor as the case may be that pursuant to the High Court of Bombay sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Resulting Company as the person entitled thereto and that the right of the Transferor Company to recover or realise the same stands extinguished.
- (k) The Resulting Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to the High Court of Bombay having sanctioned the Scheme, the said person, debtor or depositor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Resulting Company to recover or realise the same is in substitution of the right of the Transferor Company.
- (l) With effect from the Appointed Date, the existing securities / charges created over assets of the Storage Undertaking by KEL in favour of IDBI Trusteeship Services Ltd. on behalf of Allahabad Bank shall continue in favour of IDBI Trusteeship Services Ltd. on behalf of Allahabad Bank having securities / charges over the said assets (movable and / or immovable as the case may be) to be transferred to the Resulting Company upon Demerger, to secure the loans taken by KEL from Allahabad Bank. The assets so secured shall be clearly identifiable and / or distinguishable.







- (m) Without prejudice to the provisions of the foregoing clauses and upon the effectiveness of this Scheme, the Transferor Company and the Resulting Company shall execute any instruments or documents or do all the acts and deeds as may be required, including the filing of necessary particulars and / or modification(s) of charge, with the Registrar of Companies, Maharashtra to give formal effect to the above provisions, if required.
- (n) Upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the liabilities, which have been transferred to them respectively in terms of the Scheme, and the Transferor Company shall not have any obligations in respect of such liabilities, and the Resulting Company shall indemnify the Demerged Company in relation to any claim, at any time, against the Demerged Company in respect of the liabilities which have been transferred to the Resulting Company.
- (o) It is expressly provided that no other term or condition of the liabilities transferred to the Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- (p) Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of the clause 3 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall stand modified and / or superseded by the foregoing provisions.

**4. CONTRACTS, DEEDS AND OTHER INSTRUMENTS:**

Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Storage Undertaking of KEL is a party or to the benefit of which Storage Undertaking of KEL may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall continue in full force and effect against or in favour of the Resulting Company as the case may

be and may be enforced as fully and effectively as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary thereto. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into a tripartite arrangement, confirmation or novation to which the Demerged Company will, if necessary, also be a party in order to give formal effect to this Clause, if so required or become necessary.

**5. LEGAL PROCEEDINGS:**

- (a) Upon coming into effect of this Scheme, all suits, claims, actions and proceedings by or against the Storage Undertaking of KEL pending and / or arising on or before the Effective date shall be continued and be enforced by or against the Resulting Company as effectually as if the same had been pending and / or arising by or against the Resulting Company.
- (b) The Resulting Company will undertake to have all legal or other proceedings initiated by or against the Storage Undertaking of KEL referred to in sub-clause (a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Resulting Company.

**6. OPERATIVE DATE OF THE SCHEME:**

This Scheme though effective from the Appointed Date shall be operative from the Effective Date.

**7. CONDUCT OF BUSINESS BY KEL AND RESULTING COMPANY TILL EFFECTIVE DATE:**

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

- (i) KEL shall carry on and shall be deemed to have carried on all its business and activities of the Storage Undertaking as hitherto and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for the Resulting Company.
- (ii) All the profits or income accruing or arising to the Storage Undertaking of KEL or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by the Storage



Undertaking of KEL shall, for all purposes be treated and be deemed to be and accrued as the profits or income or expenditure or losses or taxes of the Resulting Company, as the case may be.

- (iii) The Storage Undertaking of KEL shall carry on its business and activities with reasonable diligence, business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any liabilities or expenditure, issue any additional guarantee, indemnities, letter of comfort or commitments either for itself or on behalf of any third party, or sell transfer, alienate, charge, mortgage, encumber or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of business or if the same is expressly permitted by this Scheme or pursuant to any pre-existing obligation undertaken by the Storage Undertaking of KEL prior to the Appointed Date, except with prior written consent of the Resulting Company.

Provided that as far as the obligations referred as above are concerned, the restrictions thereunder shall be applicable from the date of the acceptance of the present Scheme by the respective Board of Directors of KEL and Resulting Company even if the same are prior to the Appointed Date.

- (iv) KEL shall not vary the terms and conditions and employment of permanent employees of the Storage Undertaking except in the ordinary course of business or with approval of Resulting Company.
- (v) KEL shall not, without prior written consent of the Resulting Company, take any major policy decisions in respect of management of the Storage Undertaking.
- (vi) The Resulting Company shall 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 liabilities or expenditure, issue any additional guarantees, indemnities, letter 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, encumber or otherwise deal



with any of its properties or any part thereof except in the ordinary course of business or if the same is expressly permitted by this Scheme or pursuant to any pre-existing obligation undertaken by the Resulting Company prior to the Appointed Date, except with prior written consent of KEL.

Provided that as far as the obligations referred as above are concerned, the restrictions thereunder shall be applicable from the date of the acceptance of the present Scheme by the respective Board of Directors of KEL and Resulting Company even if the same are prior to the Appointed Date.

(vii) KEL and the Resulting Company shall not make any change in their respective capital structure either by any increase, (by issue of equity or shares on a right basis, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, reorganisation, or in any other manner which may, in any way, affect the Share Exchange Ratio (as defined in clause 8.a below), except by mutual consent of the respective Board of Directors of KEL and the Resulting Company or except as may be expressly permitted or envisaged under this Scheme.

(viii) ~~A SEBI Order no. WTM/TCN/04/CFD/ May/08 dated 14th May 2008 issued under Regulation 4(6) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 was obtained by the persons acting in concert with the Promoters viz. Shri Harsh R. Kilachand, Smt. Madhavi H. Kilachand, Shri Rohan H. Kilachand and Ms. Rohita H. Kilachand (hereinafter referred to as 'the Acquirers') to acquire 7,00,000 Equity Shares of Rs.10/- each at a premium of Rs.87/- per share against their 7,00,000 Warrants. Unfortunately due to global financial meltdown resulting into a severe repercussion in the Indian market, the Acquirers are unable to subscribe due to difficulty faced by them in raising the necessary funds. As the Shareholders of the Company had passed a Special Resolution at the General Meeting held on 20th December, 2007 granting their approval to adjust Rs.67,90,000/-, being the 10% amount paid by the Acquirers, against issue of additional 70,000 Equity~~

Claim deleted  
W.P. Order  
dated 11/11/10  
March, 2010  
for  
Smt. Sanjay Udeshi  
46.



46

~~Shares of Rs.10/- each fully paid-up with a premium of Rs.87/- per Equity Share to the Acquirers, subject to the approval / confirmation of SEBI, the Acquirers have requested KEL to consider adjustment of Rs.67,90,000/- against issue of additional 70,000 Equity Shares. The Acquirers will obtain the required confirmation from SEBI in this regard. Hence, KEL will be entitled to issue and allot up to 70,000 (Seventy Thousand) Equity Shares of Rs.10/- (Rupees Ten) each at a premium of Rs.87/- per share against the Warrants to the Acquirers by adjusting Rs.67,90,000/- kept in the suspense account, being the 10% amount paid by the Acquirers on 7,00,000-warrants which, at that point in time, could not be subscribed by the Acquirers under the compulsion of Law i.e. to meet with the requirements of keeping their post-issue shareholding percentage below the prescribed limit of 55% under the SEBI Takeover Regulation.~~

Clause deleted  
as per order  
dated 10<sup>th</sup>  
March, 2010.

*[Signature]*  
Ms. Sangay Vatsli  
6/10



**8. ISSUE OF SHARES AND SECURITIES BY THE RESULTING COMPANY:**

- (a) Upon the Scheme becoming finally effective, in consideration of the transfer of and vesting of the Storage Undertaking of KEL in the Resulting Company, the Resulting Company shall, subject to the provisions of the Scheme and without any further application, act, instrument or deed, issue and allot to every member of KEL, holding fully paid up Equity Shares in KEL and whose name appears in the Register of members of KEL on the Record Date or to his / her heirs, executors, administrators or the successors-in-title, as the case may be, in respect of every 10 (Ten) Equity Shares of Rs.10/- (Rupees Ten only) each held by him in KEL, 7 (Seven) Equity Shares of Rs.10/- (Rupees Ten Only) each shall be credited as fully paid-up in the Equity Share Capital of the Resulting Company. The said shares shall be issued in dematerialized form by the Resulting Company, to those shareholders whose shares in KEL are in dematerialized form and shall be issued in physical form to those shareholders whose shares in KEL are in physical form, unless otherwise notified in writing by the shareholders of KEL to the Resulting Company on or before such date as may be determined by the

\* Reduced to 47,53,113 (Forty Seven Lakhs Fifty Three Thousand One Hundred Thirteen only) Equity Shares of Rs.10/- each aggregating to Rs.4,75,31,130/- (Rupees Four Crore Seventy Five Lakhs Thirty One Thousand One Hundred Thirty Only) in view of subsequent forfeiture of 753 Equity Shares made by KEL (Transferor Company), which resulted into reduction by 527 Equity Shares from 47,53,640 Equity Shares.

\*\* Reduced to 52,53,113 (Fifty Two Lakhs Fifty Three Thousand One Hundred Thirteen only) Equity Shares of Rs.10/- each aggregating to Rs.5,25,31,130/- (Rupees Five Crore Twenty Five Lakhs Thirty One Thousand One Hundred Thirty Only) in view of subsequent forfeiture of 753 Equity Shares made by KEL (Transferor Company), which resulted into reduction by 527 Equity Shares from 52,53,640 Equity Shares.

Board of Directors of KEL. Thus the Resulting Company shall

\* issue total 47,53,640 (Forty Seven Lakhs Fifty Three Thousand Six Hundred And Forty Only) Equity Shares of Rs.10/- each aggregating Rs.4,75,36,400/- (Rupees Four Crores Seventy Five Lakhs Thirty Six Thousand Four Hundred Only). After the issue and allotment of the above referred shares of the Resulting

Company, the Share Capital of the Resulting Company will be

\*\* 52,53,640 (Fifty Two Lakhs Fifty Three Thousand Six Hundred and Forty) Equity Shares of Rs.10 (Ten Only) each aggregating to Rs.5,25,36,400 (Rupees Five Crores Twenty Five Lakhs Thirty Six Thousand Four Hundred Only). If any Bonus Equity Shares

are issued by KEL to the Equity Shareholders of KEL on or before the Record Date, the figure and words "10 (Ten)" as appearing in this clause shall be substituted in their place by the new figure and words of the total number of Equity Shares an existing Shareholder of KEL will hold immediately after such Bonus issue for every 10 (Ten) Equity Shares held by such Shareholder immediately before such bonus issue.

(b) Upon the Scheme becoming finally effective, in consideration of the transfer of and vesting of the Storage Undertaking of KEL into the Resulting Company, the Resulting Company will not issue and allot, subject to the provisions of the Scheme and without any further application, act, instrument or deed, any shares to the shareholders holding fully paid up 1% Cumulative Redeemable Preference Shares in KEL and the Preference Shareholders will continue to be the Shareholders of KEL only.

(c) ~~KEL has received Rs.67,90,000/- (Rupees Sixty Seven Lakhs Ninety Thousand Only) as Share Warrant Application Money. As~~

*clause deleted  
as per Order  
dated 10th  
March, 2010.*

*on 10/3/10  
Mrs Sanjay Udeshi*

*9.10*



*for  
15*

~~proposed in clause 7(viii) above, if SEBI approves, KEL may issue and allot up to 70,000 (Seventy Thousand) Equity Shares of Rs.10/- (Rupees Ten) each at a premium of Rs.87/- (Rupees Eighty Seven) per Equity Share to the Acquirers. If these shares are allotted before the Record Date to be fixed by KEL, then the Resulting Company shall, as per the provisions of the Scheme and without any further application, act, instrument or deed, issue and allot to every such new allottees, 7 (Seven) Equity~~

~~Shares of Rs.10/- (Rupees Ten only) each against every 10 (Ten) Equity Shares of Rs.10/- (Rupees Ten) each allotted to the Acquirers by KEL upon the conversion of such Warrants or in such other ratio as may be approved by this Scheme / High Court / Board. Thus, the Resulting Company may issue up to an additional 49,000 (Forty Nine Thousand) Equity Shares of Rs.10/- (Rupees Ten) each to the Acquirers and all the provisions of this Scheme will apply to such shares as they apply to existing shares of KEL.~~

(d) The said new Equity Shares issued and allotted by the Resulting Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall rank for voting rights and all other respects pari passu with the existing Equity Shares of the Resulting Company, save and except that the owners of such Equity Shares shall be entitled to dividend declared and paid by the Resulting Company only after the Record Date for the purpose of allotment of the Resulting Company's shares to the members of the Demerged Company pursuant to the approval of the Scheme.

(e) Equity shares of the Resulting Company issued in terms of clause 8 of this Scheme may be listed and / or admitted to trading on the National Stock Exchange and / or the Bombay Stock Exchange and / or any other Stock Exchange where the shares of KEL are listed and / or admitted to trading in terms of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000. The Resulting Company shall enter into such arrangements and give such confirmations and / or undertaking as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges. On such formalities being fulfilled the said Stock exchanges shall list and / or admit such equity shares also for the purpose of trading.

(f) For the purpose of issue of equity shares to the shareholders of KEL, the Resulting Company shall, if and to the extent required, apply for and obtain the required statutory approvals including approval of Reserve Bank of India and other concerned



Clause deleted as per order dated 12th March, 2010

Sanjay Udeshi

Sanjay Udeshi


E 10

regulatory authorities for the issue and allotment by the Resulting Company of such equity shares.

- (g) The Equity shares to be issued by the Resulting Company pursuant to this Scheme in respect of any Equity shares of KEL 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 Resulting Company.
- (h) The Equity Shares to be issued by the Resulting Company pursuant to this Scheme in respect of Equity Shares of KEL, which are not fully paid up shall also be kept in abeyance and dealt with by the Resulting Company when they become fully paid-up, based on information periodically provided by KEL to the Resulting Company.
- (i) Unless otherwise determined by the Board of Directors or any committee thereof of KEL and the Board of Directors or any committee thereof of the Resulting Company, issuance of Equity shares in terms of Clause 8 above shall be done within 90 days from the date of sanction of this scheme by the Hon'ble Court.
- (j) For the purpose of Income Tax as per the expert opinion received by KEL :
- (i) The cost of acquisition of the shares of the Resulting Company in the hands of the shareholders of KEL shall be the amount which bears to the cost of acquisition of shares held by the shareholder in KEL the same proportion as the net book value of the assets transferred in the Demerger to the Resulting Company bears to the net worth of KEL immediately before the Demerger hereunder.
- (ii) The period for which the share(s) in KEL were held by the shareholders shall be included in determining the period for which the shares in the Resulting Company have been held by the respective shareholder.
- (k) The issue and allotment of Equity Shares by the Resulting Company as provided in the Scheme shall be deemed to have been carried out by following the procedure laid down under Section 81(1A), if applicable, and other applicable provisions of the Act.





- 
- (l) The Shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing / trading permission is given by the Designated Stock Exchange.
- (m) There shall be no change in the shareholding pattern or control in Kesar Terminals & Infrastructure Ltd. between the record date and the listing which may affect the status of this approval.

**9 FRACTIONS:**

No fractional entitlements shall be issued in favour of any member of KEL holding Equity Shares of KEL in respect of the fractional entitlements if any, to which he may be entitled on issue or allotment of the shares of the Resulting Company as aforesaid. The Board of Directors of the Resulting Company shall instead consolidate all such fractional entitlements and allot shares in lieu thereof to a director or an authorised officer of the Resulting Company with express understanding that such director or the officer shall sell the same at the best available price in one or more lots by private sale / placement or by auction as deemed fit (the decision of such director or the officer as the case may be as to the timing and method of the sale and the price at which such sale has been given effect to shall be final) and pay the sales proceeds to the Resulting Company. The net sale proceeds thereupon shall be distributed among the members of KEL in the proportion of their fractional entitlements in the Resulting Company.

**10. REDUCTION OF SECURITIES PREMIUM, CAPITAL RESERVE AND / OR GENERAL RESERVE OF KEL.**

Upon the Scheme being finally effective, in view of the transfer of Storage Undertaking by KEL

- i. An amount equivalent to net book value of assets (net of liabilities) of the Storage Undertaking transferred to the Resulting Company by KEL in terms of this Scheme, shall be firstly appropriated against Securities Premium Account of KEL and after such appropriation, balance left if any, will be secondly appropriated against Capital Reserve Account of KEL and after such second appropriation, balance left if

any, will be thirdly appropriated against the General Reserve Account of KEL.

- ii. The permission from the Equity Share Holders of KEL shall be deemed to have been received as contemplated by Section 78 read with Section 100 of the Companies Act, 1956 on this Scheme being approved by members of KEL at the Court convened meeting.
- iii. The reduction in the Securities Premium Account and / or Capital Reserve Account of KEL shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid Share Capital or payment to any shareholder of any unpaid Share Capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

11. ACCOUNTING BY KEL AND THE RESULTING COMPANY IN RESPECT OF ASSETS AND LIABILITIES:

- (i) Accounting treatment in the books of KEL:
  - (a) The assets and the liabilities of KEL being transferred to the Resulting Company shall be at values appearing in the books of accounts of KEL as on the closure of 31st December, 2008.
  - (b) An amount equivalent to net book value of the assets (net of liabilities) of the Storage Undertaking transferred to the Resulting Company by KEL in terms of this Scheme, shall be appropriated against Securities Premium account of Rs.971.59 lacs of KEL, and after such appropriation, will be further appropriated against Capital Reserve for Rs.49.31 lacs account of KEL, and after such appropriation, will be further appropriated against the General Reserve account of KEL, to the extent required.
  - (c) The general and multipurpose loan obtained by KEL from Allahabad Bank will be apportioned between KEL and the Resulting Company in the ratio of the value of the assets allocated to both KEL and the Resulting Company and respective charges will be created over the assets of the respective Companies.



(d) The book value of investment by KEL in the share capital of Resulting Company will be continued and shall not be cancelled.

(ii) **Accounting treatment in the Books of the Resulting Company:**

(a) Upon coming into effect of this Scheme and upon the arrangement becoming operative, the Resulting Company shall record the assets and liabilities (including the portion of the Loan obtained for the Storage Undertaking from the Allahabad Bank) comprised in the Storage Undertaking transferred to and vested in them pursuant to this Scheme, at the same value appearing in the books of KEL as on the closure of 31st December, 2008.

(b) The Resulting Company shall credit the Share Capital Account in its books of account with the aggregate face value of the new equity shares issued to the shareholders of KEL pursuant to Clause 8 of this Scheme.

(c) The excess or deficit, if any, remaining after recording the aforesaid entries shall be credited by the Resulting Company to its General Reserve Account or debited to Goodwill, as the case may be.

(d) On allotment of shares by the Resulting Company in terms of Clause 8 above, the existing shareholding of KEL, in the Resulting Company shall be continued as an integral part of this Scheme and hence no reduction in the Share Capital will take place.

**12. DIVIDEND, PROFIT, BONUS, RIGHT SHARES, MANAGEMENT AND ADMINISTRATION:**

At any time upto the Effective Date

(a) The Resulting Company shall not declare/or pay dividends which are interim or final relating to any period commencing on or after the Appointed Date unless agreed to by the Board of Directors of both the Companies.

(b) KEL and the Resulting Company, except mentioned otherwise in this Scheme shall not issue or allot any right shares, or Bonus Shares or any other security converting into Equity or other Share Capital or obtain any other financial assistance converting

into Equity or other Share Capital, unless agreed to by the Board of Directors of both the Companies.

- (c) The resolutions relating to Storage Undertaking, if any, of KEL, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Resulting Company and if any such resolutions have an upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be valid and shall constitute for the Resulting Company.
- (d) The borrowing limits of the Resulting Company in terms of Section 293(1)(d) of the Act shall, without any further act, instrument or deed, stand enhanced by an amount equivalent to 100% of the aggregate value of the paid up share capital and free reserves of the Resulting Company (apart from temporary loans obtained from the bankers in the ordinary course of the business) over and above the value of the paid up share capital and free reserves of the Resulting Company.

**13. KESAR BRAND**

The Resulting Company will have the right to use the "Kesar" brand and logo and suitable agreements will be entered into in this regard.

**14. DEMERGED COMPANY'S EMPLOYEES:**

On the Scheme taking effect as aforesaid, all officers and employees of the Demerged Company, engaged in the activities of the Storage Undertaking to be transferred, in service on the Effective Date, shall become the officers and employees of the Resulting Company on such date as if they were in continuous service without any break or interruption in service and on the terms and conditions as to remuneration not less favourable than those subsisting with reference to KEL as on the said date.

It is expressly provided that as far as Provident Fund, Gratuity Fund, Pension Fund and/or Superannuation Fund or Trusts created by the Storage Undertaking of KEL or any other special funds / Scheme(s) created or existing for the benefit of the



officers and employees of the Storage Undertaking are concerned, upon the Scheme becoming officially effective, the Resulting Company shall stand substituted for KEL for all purposes whatsoever related to the administration or operation of such Scheme(s)/Fund(s) or in relation to the obligation to make contribution to the said Schemes/Funds in accordance with the provisions of such Schemes/Funds as per the terms provided in the respective Trust Deeds. It is the end intent that all the rights, duties, powers and obligations of the Storage Undertaking of KEL in relation to such fund shall become those of the Resulting Company. It is clarified that the services of the officers and employees of the Storage Undertaking of KEL will be treated as having been continuous without any break or interruption for the purpose of aforesaid Schemes/Funds. It is however, clarified that the Resulting Company shall be eligible and entitled to effect the transfer of the officers and employees of the Storage Undertaking of KEL in ordinary and usual course of business and as per business prudence, the Board of Directors of the Resulting Company shall be eligible to re-assess and to re-allocate any of the activity undertaken by the employees of the Storage Undertaking of KEL. Upon the Scheme taking effect, the Storage Undertaking of Kesar Enterprises Limited (The Demerged Company) shall stand substituted by Kesar Terminal and Infrastructure Limited (The Resulting Company) for all purposes whatsoever in relation to the administration of or obligations, right, duties (including under the respective Deeds pertaining thereto) and liabilities under or in respect of or pertaining to the Provident Fund, Gratuity Fund, Superannuation Fund, pension scheme or any other scheme or fund created or existing for the benefit of the employees or officers of the business and Undertaking of Storage Division of KEL.

**15. TWO SEPARATE COMPANIES:**

KEL and the Resulting Company will emerge as two separate entities upon implementation of this Scheme of Arrangement and Reconstruction containing Demerger and upon an order

made by the Hon'ble High Court of Mumbai under Section 394 of the Companies Act.

**16. APPLICATION TO THE HIGH COURT:**

KEL and the Resulting Company shall make all applications/petitions under Sections 391 to 394, reduction under Sections 78 and 100 and other applicable provisions of the Act to the Hon'ble High Court of Judicature at Mumbai for sanctioning of this Scheme of Arrangement for carrying this Scheme into effect and obtain all approvals as may be required under law.

**17. MODIFICATIONS, AMENDMENTS TO THE SCHEME:**

KEL (by their Directors) and the Resulting Company (by their Directors) may in its full and absolute discretion assent from time to time on behalf of all persons concerned to any modifications or amendments or addition to this Scheme or to any conditions or limitations which the Hon'ble High Court, Mumbai or any authorities under the Law may deem fit to approve of or impose and / or to resolve any doubt or difficulties that may arise for carrying out this Scheme and to do and execute all such acts, deeds, matters and things as may be necessary, desirable or proper for carrying the Scheme into effect.

For the purpose of giving effect of this Scheme or to any modifications or amendments thereof, the Directors of KEL and/or the Resulting Company may give and are authorised to give all such directions that are necessary or are desirable including directions for settling any doubts or difficulties that may arise.

**18. SCHEME CONDITIONAL UPON APPROVALS/SANCTIONS:**

This Scheme is specifically conditional upon and subject to:

- (a) The approval of and agreement to the Scheme by the requisite majorities of such classes of persons and creditors of KEL and Resulting Company as may be directed by the Hon'ble High Court of Judicature at Mumbai on the applications made for directions under Section 391 of the said Act for calling meetings

or otherwise and necessary resolutions being passed / consents obtained under the Act for the purpose.

- (b) The sanctions of the Hon'ble High Court of Judicature at Mumbai being obtained under Sections 391 to 394 and other applicable provisions of the Act, if so required on behalf of KEL and Resulting Company.
- (c) The certified copies of the High court orders referred to in this Scheme being filed with the Registrar of Companies, Maharashtra.

**19. EFFECTIVE DATE OF THE SCHEME:**

This Scheme although to come into operation from the Appointed Date shall not come into effect until the last date viz.:

- (a) The date on which the last of all the consents, approvals, permissions resolutions sanctions and/or orders as are hereinabove referred to have been obtained or passed; and
- (b) The date on which all necessary certified copies of the order under sections 391 and 394 of the Act are duly filed with the Registrar of Companies, Maharashtra and such date shall be referred to as Effective Date for the purpose of the Scheme.

**20. EFFECT OF NON-RECEIPT OF APPROVAL/SANCTION:**

In the event of any of the said sanctions and/or approvals referred to in the preceding Clause Nos.17 and 18 above not being obtained and/or the Scheme not being sanctioned by the Hon'ble High Court and/or the Order(s) not being passed as aforesaid before 31st December, 2010 or within such further period(s) as may be agreed upon from time to time by KEL (by its Directors) and the Resulting company (by its Directors), and the Board of the Directors of KEL and the Resulting company are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their power through and by its delegates, this Scheme shall stand revoked, cancelled and be of no effect save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, obligation and/or liabilities which might have arisen or accrued pursuant thereto



and which shall be governed and be preserved or worked out as is specifically provided in this Scheme and or otherwise arise as per Law.

24. **EXPENSES CONNECTED WITH THE SCHEME:**

All costs, charges and expenses, including any taxes and duties of KEL and the Resulting Company respectively in relation to or in connection with or incidental to this Scheme and of carrying out and completing the terms of this Scheme shall be respectively borne and paid by KEL and the Resulting Company.

TRUE-COPY  
*W. D. Narvekar* 36/03/10  
W. D. NARVEKAR  
COMPANY REGISTRAR  
HIGH COURT (O.S.)  
BOMBAY

TRUE COPY  
*S. Sanjay Udeshi*  
M/s. SANJAY UDESHI & CO  
Advocates High Court



IN THE HIGH COURT OF JUDICATURE  
AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
COMPANY SCHEME PETITION NO. 28 OF 2010  
CONNECTED WITH  
COMPANY APPLICATION NO. 1151 OF 2009

In the matter of the Companies Act, 1956  
AND

In the matter of Sections 391 to 394  
read with section 100 TO 103 of the  
Companies Act, 1956.

AND

In the matter of the Scheme of  
Demerger of the Storage Undertaking  
known as Distillers' Trading Corporation  
(DTC) division of Kesar Enterprises  
Limited as a going concern to Kesar  
Terminals & Infrastructure Limited

Kesar Enterprises Limited

..... Transferor/  
Petitioner Company

~~~~~  
AUTHENTICATED COPY OF THE  
ORDER DATED 12<sup>TH</sup> MARCH, 2010  
ALONG WITH THE SCHEME OF  
ARRANGEMENT  
~~~~~

Sanjay Udeshi & Co.  
Advocates for the Petitioners.  
402/B, Vikas Building,  
4<sup>th</sup> Floor, (Top Floor)  
N.G.N. Vaidya Road, (Bank Street)  
Fort, Mumbai - 400 001.

22/3/2010  
22/3/2010

*Sanjay Udeshi*  
26-03-2010  
26-03-2010



# KESAR ENTERPRISES LIMITED

Regd. Off: Oriental House, 7 Jamshedji Tata Road, Churchgate, Mumbai-400 020, India. Website : <http://www.kesarindia.com>  
Phone : (+91-22) 22042396 / 22851737 Fax : (+91-22) 22876162 E-mail : [headoffice@kesarindia.com](mailto:headoffice@kesarindia.com)  
CIN : L24116MH1933PLC001996

**CERTIFIED TRUE COPY OF THE RESOLUTIONS PASSED BY THE MEMBERS OF THE COMPANY THROUGH POSTAL BALLOT / E-VOTING PROCESS AS DECLARED BY THE CHAIRMAN ON 30.9.2014**

**Resolution No.2**

**Special Resolution under Section 180(1)(c) of the Companies Act, 2013 regarding borrowing powers of the Company.**

"RESOLVED THAT in continuation of the Resolution passed through Postal Ballot on 3.10.2012 and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act, 2013, or any amendments or modifications thereof (including any ordinance or statutory modification, re-enactment thereof for the time being in force), consent of the Company be and is hereby granted to the Board of Directors of the Company to borrow from time to time, such sum or sums of money as it may consider fit, notwithstanding that the monies to be so borrowed together with monies, if any, already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however that, the total amount so borrowed, shall not exceed a sum of Rs.750 crore (Rupees Seven Hundred fifty Crore Only) at any time".

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters, things and execute documents as it may in its absolute discretion deem necessary, proper, desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowings aforesaid and further to delegate all or any of the above powers to the committee of the Directors or the Chairman as may be necessary, proper, desirable or expedient to give effect to this resolution."

**Resolution No.4**

**Special Resolution under Section 14 of the Companies Act, 2013 to adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013.**

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company."

"RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."



# KESAR ENTERPRISES LIMITED

Regd. Off: Oriental House, 7 Jamshedji Tata Road, Churchgate, Mumbai-400 020, India. Website : <http://www.kesarindia.com>  
Phone : (+91-22) 22042396 / 22851737 Fax : (+91-22) 22876162 E-mail : [headoffice@kesarindia.com](mailto:headoffice@kesarindia.com)  
CIN : L24116MH1933PLC001996

## **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 setting out material facts is annexed hereto**

### **Resolution No.2**

Under Section 293(1)(d) of the Companies Act, 1956, on 3.10.2012, the Shareholders of the Company had approved a resolution through Postal Ballot process, according their approval to the Board of Directors of the Company to borrow monies on behalf of the Company, from time to time, upto an aggregate amount not exceeding at any time Rs.750 Crore (Rupees Seven Hundred Fifty Crore Only) exceeding the aggregate amount of Paid-up Share Capital and Free Reserves of the Company apart from temporary loans obtained or to be obtained from the Banks in the ordinary course of business.

However, as per Section 180(1)(c) of the Companies Act, 2013, the Company is required to pass a resolution once again as a Special Resolution authorising the Board of Directors to borrow upto the specified amount.

Accordingly, your approval is sought by voting through Postal Ballot pursuant to the provisions of Section 110 of the Act read together with such Rules as may be applicable for passing the Special Resolution as set out in this Notice.

The Board recommends the passing of the Resolution under Item No.2 as a Special Resolution.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.2 of the Notice.

### **Resolution No.4**

The Articles of Association ("AoA") of the Company as presently in force from time of incorporation of the Company in 2008. The existing AoA are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013.

The Act is now largely in force. On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal") such as variation of rights of holders of different classes of shares (Section 48), reduction of share capital (Section 66), compromises, arrangements and amalgamations (Chapter XV), prevention of oppression and mismanagement (Chapter XVI), revival and rehabilitation of sick companies (Chapter XIX), winding up (Chapter XX) and certain other provisions including, inter alia, relating to Investor Education and Protection Fund (Section 125) and valuation by registered valuers (Section 247). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several Articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft AoA of the Company viz:



# KESAR ENTERPRISES LIMITED

Regd. Off: Oriental House, 7 Jamshedji Tata Road, Churchgate, Mumbai-400 020, India. Website : <http://www.kesarindia.com>  
Phone : (+91-22) 22042396 / 22851737 Fax : (+91-22) 22876162 E-mail : [headoffice@kesarindia.com](mailto:headoffice@kesarindia.com)  
CIN : L24116MH1933PLC001996

- (a) Company's lien now extends also to bonuses declared from time to time in respect of shares over which lien exists;
- (b) the nominee(s) of a deceased sole member are recognized as having title to the deceased's interest in the shares;
- (c) new provisions regarding application of funds from reserve accounts when amounts in reserve accounts are to be capitalized;
- (d) new provisions relating to appointment of Chief Executive Officer and Chief Financial Officer, in addition to Manager and Company Secretary;
- (e) existing Articles have been streamlined and aligned with the Act;
- (f) the statutory provisions of the Act which permit a Company to do some acts "if so authorized by its Articles" or provisions which require a Company to do acts in a prescribed manner "unless the Articles otherwise provide" have been specifically included; and
- (g) provisions of the existing AoA which are already part of statute in the Act have not been reproduced in the new draft AoA as they would only lead to duplication – their non-inclusion makes the new AoA crisp, concise and clear and aids ease of reading and understanding.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

The Board recommends the passing of the Resolution under Item No.4 as a Special Resolution

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No.4 of the Notice.

The said Notice of Postal Ballot and Form have been placed on the Company's website which is [www.kesarindia.com](http://www.kesarindia.com) for the perusal of the members/shareholders.

**CERTIFIED TRUE COPY**  
**For KESAR ENTERPRISES LTD.**

**D J SHAH**  
**SR. VICE PRESIDENT (LEGAL) &**  
**COMPANY SECRETARY**