



**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

Registrar of Companies

4th Floor IFCI Tower, 61, New Delhi, Delhi, India, 110019

Corporate Identity Number: **L74899HR1989PLC137147**

SECTION 13(5) OF THE COMPANIES ACT, 2013

**Certificate of Registration of Regional Director order for Change of State**

M/s DCM SHRIRAM LIMITED having by special resolution altered the provisions of its Memorandum of Association with respect to the place of the Registered Office by changing it from the state of Delhi to the Haryana and such alteration having been confirmed by an order of Regional Director bearing the date 30/08/2025

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

Given under my hand at New Delhi this SIXTH day of OCTOBER TWO THOUSAND TWENTY FIVE

Document certified by DS MINISTRY OF CORPORATE  
AFFAIRS 18 <ROC.DELHI@MCA.SOV.IN>

Digitally signed by  
DS MINISTRY OF CORPORATE  
AFFAIRS 18  
Date: 2025.10.06 14:14:40 IST

Seema Rath

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

Registrar of Companies

ROC Delhi

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

DCM SHRIRAM LIMITED

Plot no. 82, Sector 32, Institutional Area, Gurugram, Gurgaon, Sadar Bazar, Gurgaon- 122001, Haryana, India



**भारत सरकार-कॉर्पोरेट कार्य मंत्रालय**  
**कम्पनी रजिस्ट्रार कार्यालय, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा**

**नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र**

कॉर्पोरेट पहचान संख्या : L74899DL1989PLC034923

मैसर्स DCM SHRIRAM CONSOLIDATED LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स  
DCM SHRIRAM CONSOLIDATED LIMITED

जो मूल रूप में दिनांक छह फरवरी उन्नीस सौ नवासी को कम्पनी अधिनियम, 1956 (1956 का 1) के अंतर्गत मैसर्स  
DCM ENGINEERING INDUSTRIES PRIVATE LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि. 507 अ. दिनांक एस.आर.एन. दिनांक 21/02/2014 के द्वारा प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स 24.6.1985 B96177894  
DCM SHRIRAM LIMITED

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

यह प्रमाण-पत्र दिल्ली में आज दिनांक इक्कीस फरवरी दो हजार चौदह को जारी किया जाता है।

**GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS**  
**Registrar of Companies, National Capital Territory of Delhi and Haryana**

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

Corporate Identity Number : L74899DL1989PLC034923

In the matter of M/s DCM SHRIRAM CONSOLIDATED LIMITED

I hereby certify that DCM SHRIRAM CONSOLIDATED LIMITED which was originally incorporated on Sixth day of February Nineteen Hundred Eighty Nine under the Companies Act, 1956 (No. 1 of 1956) as DCM ENGINEERING INDUSTRIES PRIVATE LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN B96177894 dated 21/02/2014 the name of the said company is this day changed to DCM SHRIRAM LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given at Delhi this Twenty First day of February Two Thousand Fourteen.



Registrar of Companies, National Capital Territory of Delhi and Haryana

कम्पनी रजिस्ट्रार, राष्ट्रीय राजधानी क्षेत्र दिल्ली एवं हरियाणा

\*Note: The corresponding form has been approved by PREMLAL BHANJURAM MALIK, Deputy Registrar of Companies and this certificate has been digitally signed by the Registrar through a system generated digital signature under rule 5(2) of the Companies (Electronic Filing and Authentication of Documents) Rules, 2006.

The digitally signed certificate can be verified at the Ministry website ([www.mca.gov.in](http://www.mca.gov.in)).

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

DCM SHRIRAM LIMITED  
5th Floor Kanchenjunga Building, 18 Barakhamba Road,  
NEW DELHI - 110001,  
Delhi, INDIA





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

COMPANY. NO. 55-34923

IN THE OFFICE OF THE REGISTRAR OF COMPANIES,  
DELHI AND HARYANA

UNDER THE COMPANIES ACT, 1956 (OF 1956)

In the matter of                      DCM INDUSTRIES LIMITED  
I hereby certify that              DCM INDUSTRIES LIMITED

Which was originally incorporated on      SIXTH

day of FEBRUARY One Thousand Nine Hundred EIGHTY NINE Under Companies Act, 1956 and Under the name DCM ENGINEERING INDUSTRIES PRIVATE LIMITED having duly passed the necessary special resolution in terms of section 21 of the Companies Act, 1956 and the approval of Central Government signified in writing have been accorded thereto in the Department of Company Affairs, New Delhi approval letter No. 21/34923/15254 Dated 18-7-90.

The name of the said Company is this day changed to DCM SHRIRAM CONSOLIDATED LIMITED and this certificate is issued pursuant to Sec. 23 (1) of the said Act.

Given under my hand at NEW DELHI this TWENTIETH day  
Of JULY One thousand Nine Hunderd and NINETY.



Sd/-  
(B. BHAVANI SANKAR)  
REGISTRAR OF COMAPNIES  
DELHI & HARYANA





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

COMPANY. NO. 55-34923

IN THE OFFICE OF THE REGISTRAR OF COMPANIES,  
DELHI AND HARYANA

UNDER THE COMPANIES ACT, 1956 (OF 1956)

In the matter of                      DCM ENGINEERING INDUSTRIES LIMITED  
I hereby certify that              DCM ENGINEERING INDUSTRIES LIMITED

Which was originally incorporated on              SIXTH

day of FEBRUARY One Thousand Nine Hundred EIGHTY NINE Under Companies Act, 1956 and Under the name DCM ENGINEERING INDUSTRIES PRIVATE LIMITED having duly passed the necessary special resolution in terms of section 21 of the Companies Act, 1956 and the approval of Central Government signified in writing have been accorded thereto in the Department of Company Affairs, New Delhi approval letter No. 21/55-34923/4669 Dated 22-2-90.

The name of the said Company is this day changed to DCM INDUSTRIES LIMITED and this certificate is issued pursuant to Sec. 23 (1) of the said Act.

Given under my hand at NEW DELHI this FIRST day of MARCH One thousand Nine Hunderd and NIENTY.



Sd/-  
(B. BHAVANI SANKAR)  
REGISTRAR OF COMAPNIES  
DELHI & HARYANA



The Company has been converted into a Public Company from the deemed Public Company U/S 44 of the Companies Act, 1956.

Sd/-  
Registrar of Companies  
Dtd. 21.9.89



सत्यमेव जयते

The word "Private" has been deleted from the Company name U/S 43-A (I) of the Companies Act, 1956

Sd/-  
Asstt. Registrar of Companies  
Dtd. 18.9.89

प्रारूप एक  
Form 1

निगमन का प्रमाण-पत्र  
**Certificate of Incorporation**

सं० ५५-३४९२३  
No. 55-34923

का सं १९१०  
of 1988-89

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज डीसीएम इन्जीनियरिंग इन्डिस्ट्रीज प्राइवेट लिमिटेड  
कम्पनी अधिनियम 1956 ( 1956 का 1 ) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है।

I hereby certify that **DCM ENGINEERING INDUSTRIES PRIVATE LIMITED** is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

मेरे हस्ताक्षर से आज ता० 17 माघ, 1910 को दिया गया।

Given under my hand at NEW DELHI this SIXTH day of FEBRUARY One thousand nine hundred and EIGHTY NINE.



Sd/-  
( बी. भवानी शंकर )  
कम्पनी रजिस्ट्रार  
दिल्ली एवं हरियाणा  
(B. BHAVANI SANKAR)  
Registrar of Companies  
DELHI & HARYANA







सत्यमेव जयते

प्रास्तुप एक  
Form 1

निगमन का प्रमाण-पत्र  
**Certificate of Incorporation**

सं० ५५-३४९२३  
No. 55-34923

का सं १९१०  
of 1988-89

मै एतद् द्वारा प्रमाणित करता हूँ कि आज डीसीएम इन्जीनियरिंग इन्डीस्ट्रीज प्राइवेट लिमिटेड कम्पनी अधिनियम 1956 ( 1956 का 1 ) के अधीन निगमित की गई है और यह कम्पनी परिसीमित है।

I hereby certify that **DCM ENGINEERING INDUSTRIES PRIVATE LIMITED** is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is Limited.

मेरे हस्ताक्षर से आज ता० 17 माघ, 1910 को दिया गया।

Given under my hand at NEW DELHI this SIXTH day of FEBRUARY One thousand nine hundred and EIGHTY NINE.



Sd/-  
( बी. भवानी शंकर )  
कम्पनी रजिस्ट्रार  
दिल्ली एवं हरियाणा  
(B. BHAVANI SANKAR)  
Registrar of Companies  
DELHI & HARYANA



**(THE COMPANIES ACT, 1956)**  
**(COMPANY LIMITED BY SHARES)**

**MEMORANDUM OF ASSOCIATION**  
**OF**  
**DCM SHRIRAM LIMITED**

- I. The name of the company is **DCM SHRIRAM LIMITED**
- II. The Registered Office of the Company will be situated in the State of Haryana.\*
- III. The Objects for which the Company is established are:

**A. THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:**

1. To carry on the business of iron-founders, mechanical engineers and manufacturers of agricultural implements and other such machinery tool- makers, brass-founders, metal-workers, boiler-makers, mill wrights, machinists, iron and steel converters, smiths, painters, metallurgists, electrical engineers, water supply engineers and merchants; and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in machinery implements, rolling-stock and hardware of all kinds.
2. To carry on any business relating to the winning and working the production and working of metals and the production, manufacture and preparation of any other such materials, made thereof which may be usefully or conveniently combined with the engineering or manufacturing business of the company.
3. To carry on the business of ginning, pressing, spinning, weaving, doubling, texturising, processing or manufacturing and dealing in cotton, jute, flax, hemp, silk, artificial silk, wool, rayon, nylon, polyester, acrylic, acetate, viscose staple fibres and any other kind of fibrous material, whether natural or synthetic or chemical on man-made and products thereof (including wastes realised therefrom), linen manufacturers, wool combers, worsted spinners, worsted stuff manufacturers, manufacturers of yarn, linen, cloth and other goods and fabrics, whether textile, felted, netted, looped, woven, nonwoven or otherwise fabricated or made and manufacturers of garments and dresses, bleachers and dyers and maker of vitriol, bleaching and dyeing materials and chemicals, and other business of buyers and sellers, exporters and imports of and dealers in cotton, kapas, jute, flax hemp, silk, artificial silk, wool, staple, rayons, polyester, acrylic, acetate, nylon and any other kinds of fibrous, synthetic and chemical substances and products, yarn, cloth or other products manufactured for or from any of the above substances and also to carry on the business of curing, preparing, coloring, dyeing, bleaching, printing or otherwise processing any yarn, cloth, fibre or other materials, goods or products related thereto.

Substituted by  
Special Resolution  
dated 3.8.1995 and  
confirmed by an  
order of the  
Company Law  
Board dated  
16.7.1996.



4. To establish and carry on the business as manufacturers of and dealers in/and exporters and importers of electronic products of all kinds and of similar and allied nature.
5. To develop, supply and deal in import and export of software for use in the computers and other electronic systems and control equipments and products of similar and allied nature.

Inserted by Special Resolution dated 3.8.1995 and confirmed by an order of the Company Law Board dated 16.7.1996.

6. To carry on the business of producing all grades and types of sugar and related products from sugarcane and from any other raw material and packing the same in different sizes and forms.

Inserted by Special Resolution dated 3.8.1995 and confirmed by an order of the Company Law Board dated 16.7.1996.

- 6A. To carry on the business as brewers, distillers and maltsters and manufacturers of and merchants and dealers in all kinds of alcohols, spirits and liquors whether for human consumption, or for industrial use, or as fuel or otherwise, citric acid, vinegar, acetic acid, liquid sugar, glucose, malts, hops, grain, meal, yeast, aerated water, carbonic acid, gas and dry ice.

Inserted by Special Resolution dated 3.8.1995 and confirmed by an order of the Company Law Board dated 16.7.1996.

7. To generate, develop and accumulate electrical power and to transmit, distribute and supply such power and to carry on business of a general electric power supply company, and to construct, lay down, establish fix and carry out all necessary power stations, cables, wires, lines, accumulators, lamps and works and to generate, accumulate, distribute and supply electricity, and to light cities, towns, streets, docks, markets, theatres, buildings and places, both public and private.

Inserted by Special Resolution dated 3.8.1995 and confirmed by an order of the Company Law Board dated 16.7.1996.

8. To manufacture, develop, import, export, buy, sell distribute, repair, convert, alter, install, erect, maintain, let on hire and otherwise deal in all kinds of electronic voice data and video communication systems including EPABX systems, electronic exchanges, telex equipments, electronic telex, transmitters, teleprinters, satellite radio communication systems, telephone equipments, receivers, repeaters, modems, multiplexers, de-multiplexers, facsimile systems, tele-text, video text, tele-conferencing and video-conferencing equipments, radio paging systems, all kinds of telephone instruments, telephone diallers, cordless telephones, car telephones, walkie talkies, dictaphones, intercoms, telephone exchanges, rural automatic exchanges, electronic exchanges, coin collection boxes, payphones (public telephones) all types of communication equipments, telecommunication equipments, communication receiving sets, communication transmitting sets, security systems, communication cables, fibre optic cables, and all accessories and other similar articles and products and devices and their accessories, spares, stores, parts, components, assemblies and all kinds of instruments, apparatus, appliances and gadgets used for or in connection with any of the aforesaid items.

Inserted by Special Resolution dated 3.8.1995 and confirmed by an order of the Company Law Board dated 16.7.1996.

9. To carry on in India or elsewhere the business of ironmasters, steel makers, steel convertors, manufacturers of ferro manganised.

To procure, produce and deal in metallic and non metallic minerals and its products and to manufacture, procure and produce all type's of iron, steel, ferrous and non ferrous alloys and to fabricate all its components, raw materials and finished products.

**B. THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS:**

1. To do all such things which are incidental or ancillary to the attainment of main business of the company.
2. In case of the conversion of the company to a public company and subject to the provisions of the Companies Act, 1956 and other laws upon any issue of shares, debentures or other securities of the company, to employ brokers, commission agents and under-writers, and to provide for the remuneration of such persons for their services by payment in cash or by the issue of shares, debentures, or other securities of the company or by the granting of options to take the same or in any other such manner as allowed by law.
3. To negotiate and/or enter into agreements and contracts with individuals, companies, corporations and other organisation, foreign or Indian, for obtaining or providing technical, financial or any other assistance for carrying out all or any of the objects of the Company, which for clarity, shall include without limitation entering into purchasing, selling unwinding, providing credit support or security for and otherwise transacting in swaps, forwards, futures, options, caps, floors, collars, contracts for differences, repos, lending transactions, trust instruments in any currency and/or any other derivative transactions of any nature (whether exchange-traded or over-the-counter) including relating to any asset, index, event, statistic, rate, or benchmark of any nature (whether tangible or intangible) and also including (without limitation) derivatives relating to currencies, interest rates, stocks, bonds, other securities, credit events and commodities, to the extent permitted under the applicable laws from time to time and also for the purpose of activating, research, development of manufacturing projects on the basis of know-how and/or financial participation and for technical collaboration and to acquire or provide necessary formulae and patent rights for furthering the objects of the Company.
4. To accept stock or shares in or debentures, mortgage debentures or other securities of any other company in payment for any services rendered or for any sale made to or debt owing from any such company.
5. To apply for, purchase or otherwise acquire any patents, brevets, invention, licences, concessions and the like, conferring any exclusive or non-exclusive of limited rights to use any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated, directly or indirectly to benefit the company and to use, exercise, develop, or grant licences in respect of or otherwise turn to account the property rights or information so acquired.
- 5A. Subject to the provisions of Sections 292 and 293 of the Companies Act, 1956 to raise or borrow or secure the payment of any money, debt or obligation in such manner and on such terms and with such rights, powers and privileges as may be deemed expedient and in particular by issue of any Debenture-stocks, Debentures, shares, Bonds, Notes, Bills of Exchange or other obligations or securities of the company or by mortgage of and charge over

Amended by Special Resolution through Postal Ballot dated 21.8.2009

Inserted by Special Resolution dated 29.1.1991 and confirmed by an order of the Company Law Board dated 17.1.1992.

all or any of the movable and immovable properties and assets of the company, present and future, and all or any of the uncalled capital of the company and purchase, redeem and pay-off any such securities and guarantee the payment of money, unsecured or secured by or payable under or in respect thereof.

Inserted by Special Resolution dated 29.1.1991 and confirmed by an order of the Company Law Board dated 17.1.1992.

- 5B. To guarantee the payment of money, including principal, interest and dividend, unsecured or secured or required or payable under or in respect of promissory notes, bonds, debentures, debenture-stocks, shares securities, contracts, mortgages, charges, obligations, instruments And securities of any company or of any authority, National, Municipal, Local or otherwise or of any persons whomsoever, whether incorporated or not or to guarantee or become sureties for the performance of any contracts or obligations and to give indemnities of all kinds, as may be necessary for the purpose of the company or as may be considered to directly or indirectly further the objects of the company.

Inserted by Special Resolution dated 29.1.1991 and confirmed by an order of the Company Law Board dated 17.1.1992.

- 5C. To subscribe for, acquire, hold and sell shares, share-stocks, debentures, debenture-stocks, bonds mortgages, obligations, securities of any kind issued or guaranteed by any Government, sovereign, ruler, commissioners, trust, municipal, local, or other Authority or body of whatever nature whether in India or elsewhere as trade investments and buy and sell foreign exchange in accordance with applicable laws and generally to invest and deal with the moneys of the company in such manner and extent as from time to time may be thought proper and to hold, sell or otherwise deal with such investments as may be deemed necessary.

Inserted by Special Resolution dated 29.1.1991 and confirmed by an order of the Company Law Board dated 17.1.1992.

- 5D. To establish and maintain or procure the establishment and maintenance of or contribute to any contributory or non-contributory pension or superannuation or provident funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, contributions, allowances or emoluments and also establish for any person who is or was at any time time in the employment or service of the Company or who was or is director of the Company or Company allied to or associated with the company or with any subsidiary company thereof and whose service has been transferred to the company.

Inserted by Special Resolution dated 29.1.1991 and confirmed by an order of the Company Law Board dated 17.1.1992.

- 5E. To provide housing, educational, recreational and other amenities and facilities for employees and such other persons as the company may deem expedient including directors and their wives, widows, families and dependents and to establish or subscribe to or subsidies any institutions, associations, clubs or funds; calculated to be for the benefit of or to advance the interest and well being of such persons, the company, or its members, and to make payments to or towards the medical expenses or insurance of any such persons as aforesaid, and to grant compensation, gratuities or any other aid to such persons as aforesaid either alone or in conjunction with any subsidiary.

6. To acquire all machineries, plants, stocks-in-trade, trademarks and other movable and immovable properties of any description to achieve any of the main objects of the company.
7. To acquire by concession, grant, purchase, barter, lease, licence or otherwise, lands, buildings and/or machinery, farms, water-rights and such other works, privileges, rights and hereditaments of all kinds.
8. To erect upon the lands belonging to the Company and upon any other lands or property which may be taken on lease or licence by the company, factories, buildings, houses and erections as may be required for carrying out the objects of the Company and, in particular, equip the said buildings and/or factories with machinery.
9. To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose of or turn to account or otherwise deal with all or any sort of the property and rights of the Company.
10. To pay for any lands and immovable or movable estates and/or properties or assets of any kind acquired by the Company or for any services rendered or to be rendered to the company and generally to pay or discharge any consideration to be paid or given by the Company in money or in shares whether fully paid-up or partly paid-up or debentures or obligations of the Company, or partly in one way or partly in another or otherwise, however, with power to issue any shares either as fully paid-up or partly paid up for such purposes.
11. To enter into any contracts, agreements with any Government or Governmental Authority, Municipal, Revenue, Local or otherwise, which may seem conducive to any of the objects of the Company and obtain from any such Government or Authority any rights, privileges, and concessions which may appear desirable to be obtained and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
12. To purchase, take on lease, or otherwise acquire in the Union of India or elsewhere any real or personal property estates, plantations and other lands whether freehold, leasehold or such other tenure of all types for the purposes of the Company.
13. Subject to Sections 391 and 394 of the Act, to enter into partnership or any agreement for sharing profits, union of interest, reciprocal concession, amalgamation or co-operation with any person or persons, corporation or company, carrying on or about to carry on, or engage in any business or transaction which this Company is authorised to carry on or to engage in any business or transaction capable of being conducted so as to benefit this Company directly or indirectly and to take or otherwise acquire and hold stocks or securities and to subsidise or otherwise assist any such company and to sell, hold, reissue with or without guarantee or otherwise deal with such shares or securities; and to form, constitute or promote any other company or



companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

14. To invest in, other than investment in Company's own shares and deal with the moneys of the Company not immediately required in any scheduled bank or in trust securities or deposit on interest with any body corporate/individual/firm or in such other manner as is beneficial to the Company.
15. To draw, accept, endorse or negotiate promissory notes, bills of exchange or other negotiable instruments, drafts, charter parties, bills of lading and warrants.
16. Subject to Sections 391 to 394 of the Act, to amalgamate with or dispose of or exchange any of the businesses or undertakings, properties or rights of the Company in consideration of shares, debentures, or other securities and to enter into any agreement or arrangement with other companies or firms or individuals for joint working in business or for sharing of profits in any other company, firm or person if such acts are advantageous to this Company.
17. To sell, dispose of, transfer, exchange, lease, mortgage or otherwise deal with all business, undertaking, properties or rights of the Company or any part thereof for any consideration which the Company may deem fit to accept.
18. To aid pecuniarily or otherwise any association, body or movement having for its object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry and trade.
19. To make pecuniary grants by way of donations, subscriptions, allowances, gratuity guarantee or otherwise to or for the benefit to persons who are or have been employed by the Company and widows, orphans and dependents of any such persons.
20. Subject to Section 293A of the Act, to subscribe, contribute or guarantee money for any national, charitable, benevolent, public, general or useful object or funds or for any exhibition.
21. To undertake and execute any trusts the undertaking whereof may seem desirable either gratuitously or otherwise in connection with the main business of the company.
22. To establish and support or provide aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business of the dependents or relations of such persons and to grant pensions and allowances and to make payments towards insurance.
23. To take up the management of any Company situated in the Union of India engaged in similar business.

24. To procure the Company to be registered, legalised, domiciled or recognised in any country or place and to procure its incorporation in a like character as a society anonym or otherwise in any country or place and to carry on its business or any portion of its business or objects in any country or place.
25. To pay all or any costs, charges or expenses, whatsoever, preliminary, incidental or relating to the promotion, formation, registration or establishment of this or any other company or to the raising, subscription, issue, settlement or quotation in any stock exchange of any portion of the original of future share, loan or other capital of this or any other company and to remunerate by commission, discount or otherwise any person or company for services rendered in placing or assisting to place any of such capital, debenture stocks or securities or obtaining or assisting to obtain a settlement or quotation of the same in any stock exchange or for any services, preliminary, incidental or relating to or in connection with the promotion, formation, registration or establishment of this or any such other company and to charge any payment of remuneration aforesaid to capital or revenue account.
26. To lay out, advance, invest and deal with the Company's money with such persons or companies and in or upon such investments or securities in such manner as may be deemed fit by the Board of Directors of the Company.
27. To vest any movable or immovable property, rights or interest acquired by or received or belonging to the Company in any person or persons or company on behalf of or for the benefit of the company and with or without any declared trust in favour of the company.
28. To import, export, buy, sell, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, substances, materials and things necessary or convenient for carrying on the main objects of the Company.
29. To purchase or otherwise acquire, construct, carry out, equip, maintain, alter, improve, develop, manage, work, sell, let on hire, deal in, control and superintend any factories, plants, warehouses, workshops, sheds, dwellings, offices, shops, stores, buildings, telephones, electric and gas works, power plants, roadways, railways, bridges reservoirs, water houses, all kinds of works, machinery, apparatus, labour lines and houses, wharves, furnaces, crushing works and other works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company and to join with any other such person or company in doing any of these operations.
30. To distribute among the members in specie or otherwise any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of winding up but so that no distribution amounting to a reduction of capital be made except with the sanction, if any, for time being required by law.

31. To distribute as dividend or bonus among the members or to place reserve or otherwise to apply, as the Company may, from time to time, think fit, any money received by way of premium on shares or debentures issued at a premium by the Company and any moneys received in respect of on forfeited shares, and moneys arising from the sale by the Company of forfeited shares, subject to the provisions of the Companies Act, 1956.
32. To employ agents or experts to investigate and examine into the condition, prospects, value, character and circumstance of any business concerns and undertaking of any assets, properties or rights which the Company proposes to acquire.
33. To create any reserve fund, sinking fund, insurance fund or any other special funds whether for depreciation, repairing, improving, research, extending or maintaining any of the properties of the Company or for any other such purposes conducive to the interests of the Company.
34. To send out to foreign countries, its directors, employees or any other person or persons for investigating possibilities of any business or for procuring and buying any machinery or establishing trade connections or for promoting the interests of the Company and to pay all expenses incurred in this connection.
35. To agree to refer to arbitration any dispute, present or future, between the Company and any other Company, firm, individual or any other body and to submit the same to arbitration in India or abroad either in accordance with Indian or any foreign systems of law.
36. To appoint agents, sub-agents, dealers, managers, canvassers or representatives for transacting all or any kind of business which this Company is authorised to carry on and to constitute agencies of the Company in India or any other country to establish offices and agencies in different parts of the world.
37. Subject to Sections 100 to 105 of the Act, to distribute any property of the Company in specie or kind among the Members.
38. To do all or any of the above things in any part of the world as principals, agents, contractors, trustees or otherwise and either alone or in conjunction with others and either by or through agents.
39. To take all such other steps and to do all other acts as may be necessary, incidental, conducive or convenient to the attainment of the above objects or any of them.
40. For the purpose of the Company, to accept deposit, subject to Sections 58A and 292 of the Companies Act, 1956 and Rules made thereunder and directions of the Reserve Bank of India, for any period of time, and pay interest thereon and issue fixed deposit receipts, promissory notes and other securities for the same and keep floating, cash credit or other accounts without interest and to lend or allow loans or overdraft thereon to the depositors and charge interest thereon.

41. To acquire by purchase, on hire or lease, or otherwise take over and carry on the whole or part of the business, properties and liabilities of foundry/ engineering mills as going concerns for consideration to be paid wholly or partly in cash or by issue of shares/debentures/securities or by any other means as may be mutually agreed upon by this company and the transferor.
42. To acquire by purchase, on hire or lease, or otherwise take over and carry on the whole or part of the business, properties and liabilities of textile mills as a going concern in consideration to be paid wholly or partly in cash or by issue of shares/debentures/securities or by any other means as may be mutually agreed upon by this Company and the transferor.
43. To acquire by purchase, on hire or lease, or otherwise take over and carry on the whole or part of the business, properties and liabilities of undertakings engaged in the production and other activities of electronic/computer products as a going concern in consideration to be paid wholly or partly in cash or by issue of shares/debentures/securities or by any other means as may be mutually agreed upon by this company and the transferor.
44. To purchase, sell, develop, take in exchange or on lease, hire or otherwise acquire, whether for investment or sale or working the same any real or personal estate, including lands, mines, factories, buildings, mills, houses, cottages, shops, depots, waterhouses, machinery, plant, stock, stock-in-trade, mineral rights, concessions, privileges, licences, easement or interest in or with respect to any property for the purpose of the company in consideration for gross sum or rent or partly in one way and partly in other or for any other consideration.

#### C. OTHER OBJECTS.

- |    |   |   |
|----|---|---|
| 1  | To engage in research and provide technical know-how into all aspects of industrial personnel and business management and administration; to collect, prepare and distribute information and statistics relating to any type of business or industry and to provide, propose and carry out such methods, procedures and measures.   | To Engage in Research and Provide Technical know-how.                   |
| 2. | To acquire from or sell to any person or body corporate or incorporate, whether in India or elsewhere, technical and managerial information, know-how, processes, engineering manufacturing, operating and commercial data, plans, layouts and blueprints useful for the design, erection and operation of any plant or process of manufacture and to acquire and grant licences or other rights and benefits and to render any kind of management and consultancy service. | To Acquire and Sell technical information and know-how data Processing. |
| 3. | To carry on the general business of providing comparative information about the characteristics, interests or other attributes of individuals, communities, organisations, countries or other social units and of any articles or commodities or economic trends or persons and to design, invent, prepare, own, make use of, sell or otherwise dispose of and to deal in computers, data processing  | Data Processing.  |



machines, tapes, cards, memory equipment or any other equipment and materials of every kind and description useful in connection with this business; to licence or otherwise authorise others to engage in the foregoing and engage in research and development in areas related to and involving the foregoing.

Electricians

4. To carry on the business of manufacture and sellers of and dealers in and agents for all kinds of radio/television apparatus and other electronic appliances and equipments, all kinds of electric lamps including gas-filled lamps, vacuum lamps, carbon lamps, and arc lamps, electric discharge tubes and other articles, instruments and things required for or capable of being used for or in connection with the generation, transformation, propagation, radiation, distribution, supply, accumulation and employment or application of electricity, for radiating wires for wireless signalling, lighting, heating, motive-power, x-rays medical and other purposes whatsoever, and to construct, maintain, carry out, work, buy, sell let on hire and deal in works, plant, machinery, convenience and things of all kinds capable of being used in connection with such purposes of any kind, including cables, wires, lines, stations, exchanges, accumulators, dynamos, motor batteries switching, regulating, controlling, signalling and medical apparatus, lamps, meters and engines.

Agents,  
Employment of  
Experts.

5. To act as agents or managers in carrying on any business, concern and undertaking and to employ experts to investigate and examine into the condition, management, prospects, value and circumstances of any business concern and undertaking and of any assets, property or rights of any kind.

Mechanical  
Engineers.

6. To carry on the business of mechanical engineers, general engineers, machinists, fitters, millwrights, founder, wire drawers, tube makers, metallurgists, saddlers, galvanizers, japanners, annealers, enamellers, electroplaters and painters and of manufactures, dealers, importers, exporters, assemblers, factors, stockist builders, repairers, assemblers and contractors of locomotives and rolling stock of all descriptions, boilers, hydraulic machines, machine tools, carriages, cars, and other vehicles and appliances and machinery of all types and to carry on generally the business of engineering consultants.

Electrical  
Engineers.

7. To carry on the business of electrical engineers, electricians, engineers, contractors, manufacturers, constructors, suppliers of and dealers in electrical and other appliances, cables, wirelines, dry cells, accumulators, lamps and works.

Installation of  
Electrical  
Equipments,  
structures.

8. To act as contractors for design, supply fabrication, laying, installing and supplying of electrical transmission and distribution systems, substations, installation of electrical equipments and panels, and to undertake turnkey projects for power generation and distribution systems, and to act as contractors for design and installation of railway electrification systems and electrical installations, and to design and erect structures and towers, and undertake civil construction of buildings, bridges, tanks, pipelines for sewerage, water, oil and gas and to undertake erection of structures connected with oil and gas drilling.

9. To carry on business as consulting and research engineers, chemists, industrial analysts, metallurgists of production, chemical and analytical investigators, pathologists, criminological investigators. Analysts, Investigators.
10. To act as consultants to all types of industrial concerns and to undertake scientific research work on any problems relating to quality control processing or manufacture, invention or discovery of any industrial product. Industrial Consultants.
11. To carry on the business of designing, manufacturing, fabricating, investigating, inspecting, analysing, testing and certification of any plant, machinery, equipment, tools, wagons, goods carriers, vehicles, carriages, transformers, building materials, metals, consumer products, engineering goods and all kinds of products, articles or goods, whether natural or manufactured and to experiment upon, manufacture, refine, manipulate or otherwise deal with all or any of the same; to manufacture, buy, sell, refine, manipulate, import, export, or otherwise deal in any merchandise, minerals, commodities, raw materials, manufactured and partly manufactured articles, things, goods, wares, produce and products necessary for or incidental to the experimentation, manipulation, testing, inspection, analysis, research and manufacture hereinabove mentioned or for the purposes stated above. Testing and Certification.
12. To carry on the business of manufacturers of and dealers in heavy and light engineering goods, parts, accessories, ancillaries, stores and spares and to engineer, develop, design, assemble, manufacture, produce, import and export, buy, sell and otherwise deal in industrial, mining, agricultural and other machines and all types of tools, plants, equipments, instruments, appliances and hardware of all kinds, general fittings, and accessories of all description made of ferrous and non-ferrous metal, alloy, glass, synthetic and other fibres, chemicals and PVC compounds, and plastics. Engineering Goods.
13. To carry on the business of manufacture, fabricate, assemble and deal in automobile parts and agricultural implements of all kinds and descriptions, automotive and other gears, transmission axles, universal joints, spring leaves, headlamps, sealed beams, clutch facing and brake lining components parts, spares parts, accessories and fittings of all kinds for the said articles and things used in connection with the manufacture thereof, alloy springs, steel billets, flats and bars, nuts and bolts, pressed and other engineering items and other related items for motor car, motor trucks, buses, tractors, vans, jeeps, lorries, motors, launches, sea-planes, motor cycles, cycles and vehicles and conveyances of all kinds. Automobile Parts.
14. To engineer, develop, design, assemble, manufacture, produce, import, export buy, sell, operate, run, let on hire and otherwise deal in all kinds of earth moving and agricultural machines, petrol and diesel engines, tools plants, tractors, equipments, spares, appliances, implements, accessories, mobile or otherwise and heavy vehicles and machines for agricultural and land reclamation, drainage, irrigation, waterworks, engineering, forest clearing, Agriculture Machinery.

pumping and other purposes, spraying machines, vehicles and equipments, whether mobile or otherwise, and mobile workshops and garage equipments for repair and service stations and tubewells, pumps, floating or otherwise, motors and irrigation machinery and transportation equipment for movement of its products or stores, machines or personnel and as general purpose freight carriers.

Electrical  
Equipment.

15. To manufacture, produce or otherwise engage in the manufacture or production or deal in electrical kilowatt hour meters, magnets, electromagnets, power cables, industrial jewels, ammeters, voltmeters and other types of measuring instruments, electrical or non-electrical, die castings, screws, nuts and bolts, tungsten filaments, transformers of all types, circuit breakers, punched card machines, computers and calculators and their accessories, hoists, elevators, trolleys and coaches, winches, power generators, magnetic separators, winders, air compressors, welders, fans of all types, switches and motors of all types, drills, electric grinders, air conditioners, refrigerators, washing machines, television and wireless apparatus, video cassette recorders, video cassette players, radio receivers and transmitters, electronic instruments, diodes, transistors and allied items, watches and clocks.

Instruments.

16. To manufacture, produce, assemble, distribute, stock, barter, exchange, pledge, repair, use, buy, sell, import and export and otherwise deal in all types of scientific instruments and their accessories, testing instruments, process control instruments, electrical and electronic instruments, nautical, aeronautical and survey instruments, optical and ophthalmic instruments, general laboratory, medical and surgical instruments, apparatuses, scientific and laboratory glassware, photographic chemical and other instruments, apparatuses, appliance, equipments, devices, contrivances, their accessories and components.

Optics.

17. To buy, sell, design, manufacture, process and deal in any product relating to optics, including fibre glass optics, lenses, and laser equipment.

Food, Fruits and  
Related Products.

18. To carry on the business of farming, horticulture, floriculture, sericulture, dairies, cultivators of all kinds of good grains, seeds and fruits, proprietors of orchards, traders, exporters, dealers and sellers of the products of farming, dairy, horticulture, floriculture, sericulture, pisciculture and fishing, and manufacturers of drinks, alcoholic or otherwise including beverages produced from such products or otherwise, to carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold stores, canners and preserves, dealers of food grains and other agricultural, dairy, horticultural and poultry products, fruits, vegetables, herbs, medicines flowers, drinks, fluids, gas and fresh, and preservable products and to extract by products and derivatives, whether edibles, pharmaceuticals, medicines or of any other kind, food preparations of every kind and description, and generally to carry on the business of manufacture of and trading in preserved, dehydrated, canned or converted agricultural products, fruits and vegetables,

provisions, foods, dairy and poultry products and articles and other derivatives of all kinds and description and to set up and run machinery for processing and preserving the same.

19. To establish experimental farms and research stations any where in India for conducting experiments, test and research for developing better qualities of foods grains and agricultural products and for developing mulch strain in cattle by cross breeding or otherwise, and increasing egg laying capacity in poultry and also for finding out ways and means of improving other agricultural crops, produce, seeds, fodder crops and cattle feed of all kinds. Agriculture Research.
20. To undertake the business of distribution and application of chemicals, fertilizers and pesticides, aerial or otherwise. Spraying.
21. To manufacture, process, chemically or electrically or by any other means, refine, extract, hydrolyze, manipulate, mix, deodorise, grind, bleach, hydrogenate, buy, sell, import, export, produce or otherwise deal in dairy products, seeds and agricultural products, food products, dietetic products and preparations of patent drugs and proprietary articles and all kinds, whether basic or derived, and in all forms and in particulars protein food of all kinds. Dairy and Food Products.
22. To erect, build, maintain and let out on hire or rent, cold storage rooms and provide for refrigeration and to carry on, undertake, storage, packing, removal, carrying, delivery, purchase, sale and exchange of fruits and vegetables including potatoes and all kinds of agricultural and other goods and generally to carry on the business of cold storage company in all its branches. Cold Storage.
23. To carry on the business of manufacturing, processing, buying, refining, selling, importing, exporting and otherwise dealing in wholesale and retail in all kinds vanaspati oils, dehydrated vegetable oils, oils made or processed from seeds, cotton seeds, coconut, and products of plantation, horticulture and forest produce or by-products thereof, oil seeds, vegetable ghee oleaginous and sporaceous substances and all kinds of by-products or ingredients thereof. Oil and Oleaginous Products.
24. To establish, install and run flour mills, oil presses, mills and solvent extraction plants, and store, sell, buy or deal in grains of all kinds, rice, cereals and other produce of every description, and to erect, construct and maintain granaries and store houses. Flour and Oil Mills.
25. To cultivate tea, coffee, cocoa, cinchona, rubber and other produce and carry on the business of planters in all its branches and to carry on and do the business of cultivators, winners and buyers of every kinds of vegetable, mineral, or other products of the soil, to prepare, manufacture and render marketable any such product, and to sell, dispose of and deal in any such produce, either in its prepared, manufactured or raw state, and either by wholesale or retail. Tea and Coffee.



- Brewers and Distillers. 26. To carry on business as brewers, distillers and manufacturers of and merchants and dealers in vinegar, acetic acid, glucose, wines, spirits, porter, malts, hops, grain, meal, yeast, aerated water, carbonic acid, gas, mustard, pickles, sauce, condiments of all kinds, cocoa, coffee, coca butter preserves and all or any other commodities and things which may be conveniently used or manufactured in connection with the above business.
- Wood and Wood Products. 27. To grow, take on lease, acquire, develop, deal in plantations forests, and to process in all aspects timber, wood, plywood and all kinds of wood and to make products wherein wood in a constituent part and to design, develop, fabricate any products involving the substantial use of wood.
- Paper and Pulp. 28. To carry on the business of manufacturers of and dealers in all kinds and classes of paper and pulp including sulphite and sulphate wood pulp, mechanical pulp and soda pulp and papers including transparent, vellum, writing, printing, glazed, absorbent, newsprint, wrapping, tissue, cover, blotting, filter, bank or bond, badami, brown, buff or coloured, lined, azure laid, grass or water proof, hard made parchment, drawing, crafts, carton, envelop and of straw duplex and triplex boards and all kinds of articles in the manufacture of which any form of pulp, paper or board is used and also to deal in or manufacture artificial leather of all varieties, grades and colour.
- Printers and Stationers 29. To carry on businesses as general, commercial, colour craft and process printers, lithographers, photographers, engravers, die-makers, publishers of newspapers, books, magazines, art and musical production, plan and chart printers, press and advertising agents, contractors, suppliers, book binder, and stationers and dealers in all kinds of suppliers and equipment for mercantile and other uses including photocopying, xeroxing, photostating, electrostating, cyclostating, ammonia printing or any other process which may be required in copying work.
- Postage Stamps. 30. To carry on the business as buyers, sellers, importers, exporters, distributors, agents, brokers, stockists, commission agents, auctioneers and valuers, and dealers of postage stamps, investment portfolios and related philatelic materials for collection and to process loose stands into made up display packets for sale and service related therewith.
- Stamp Albums. 31. To manufacture stamp albums, stock books, tweezers, water-mark detectors, stamping machines, colour guides, preformation gauges, stamp mounts and other related philatelic accessories.
- Chemicals and Petrochemicals. 32. To carry on the business of manufacturers, producers, processors, refiners, exporters and importers, agents, buyers, sellers and dealers in all chemical and petro-chemical products and their intermediates, dyes, drugs, medicines and pharmaceuticals, petroleum and its products, by-products and derivatives, all types of petrochemicals and their by-products, all types of heavy chemicals such as sulphuric and other acids, caustic soda, soda ash, all type of textile chemicals and sizing and finishing materials, cement and allied products.



photographic chemicals, clay and boards including straw boards, glycerine and allied products, soap and perfume, all industrial and pharmaceutical organic and inorganic chemicals, fertilizers, insecticides, pesticides, fungicides and allied products, manures, bone products, glue, aluminic products, flats and waxes and their products, hides, skins and leather.

- |     |  |                           |
|-----|--|---------------------------|
| 33. | To manufacture, produce, refine, prepare, purchase, store, sell and to trade and deal in all kinds of mineral oils and all products and by-products thereof including wax, paraffin, soap, paint, varnish, washing and toilet soap, lubricants, illuminants, butter substitutes, oil cloth, candies, glycerine and stearine.   | Mineral Oils.             |
| 34. | To carry on the business of manufacture and dealers, importer and exporters of natural and synthetic resins, moulding powders, adhesives and cement, oil paints, distempers, cellular paints, colours, varnishes, enamels, gold and silver leaf and enamels, and spirits.  | Resins and Paints.        |
| 35. | To carry on development and research work and to manufacture, calcine, refine, process, import, export, buy, sell and deal in petroleum coke, calcined coke, coal tar, anthracite and any other type of coal and to draw out manufacture and deal in coal tar, coal products and other by-products as may be possible and to utilize waste gases for industrial uses and purposes.   | Calcined Coke.            |
| 36. | To promote, establish, acquire and run or otherwise carry on business of any plastic or rubber industry or business of manufacture of materials for use in such industries such as wax, paper, bakelite, plywood, celluloid products, chemicals of all sorts and other articles or things and similar or allied products or processes and to sell, purchase or otherwise acquire or deal in materials or thing in connection with such trade and industry.                                       | Rubber and Plastics.      |
| 37. | To manufacture, buy sell or deal in laminates, whether decorative or industrial, laminate sheets, cotton fabrics impregnated with spoxy coating for electrical industry cotton fabrics with plastic of coating for furnishings and polyester fabrics.  | Laminates.                |
| 38. | To manufacture, export and import, sell and to carry on business in tyres and tubes and vehicles.  | Tyre, Tubes and Vehicles. |
| 39. | To purchase, hold, acquired mines, mining leases, licences, rights, claims, metalliferous lands and real estate, and to explore, search work, exercise, develop, treat, refine, and to turn to account ores, all sorts of minerals, working deposits and sub-soil minerals, and to crush, win, set quarry, smelt, calcine, refine, dress, preserve, manufacture and prepare for market, ore metal mineral substances of all kinds, and to carry on metallurgical operations in all its branches. | Mines.                    |
| 40. | To carry on the business of manufacturers of and workers in cement, cement machineries, lime, plasters, whiting, clay, gravel, sand, minerals, earth, stone, builders requisites.  | Cement.                   |

- |                          |  |
|--------------------------|--|
| Glass.                   | 41. To manufacture, prepare, import, export, buy, sell and otherwise deal in all kinds of glassware, glass goods, mirrors, looking glass, scientific glasswares sheet and plate glass, dangles, false pearls, bottles, phials and all kinds of articles prepared of glass and to carry on the business of glass patent solvers, glass embossers, ecclesiastical lead workers, table, show card and show case manufacturers.  |
| Refractories.            | 42. To carry on the business of manufactures of refractories, bricks, tiles, pottery, earthenware and ceramic products of all kinds.   |
| Containers.              | 43. To carry on the business of manufacturers, importers, exporters and dealers in tanks, drums, containers and other articles of every kind, of all varieties and descriptions for carrying on storing oils, water and any other materials, solid or liquid.  |
| Packing.                 | 44. To carry on the business of manufacturers, processors, designers, buyers, sellers, exporters, importers, and or otherwise dealers in all kinds of card board packing, corrugated packing, pillow packing, plastic packing, polyethylene packing, gunny bags, polyethylene films container, bottle and hollow wares, whether made of plastic, any man-made fibres, leather or other materials including high and low density polyethene, polypropylene, P.V.C. And chemical and other man-made fibrous material, and to manufacture, process, buy, sell, import; export or otherwise deal in all or any of such products, their raw materials, stores, packing materials, products and allied commodities.  |
| Architects and Builders. | 45. To carry on the business of constructional engineers, architects, builders, contractors, decorator, electricians, wood workers and parviours and to acquire, develop, buy, sell, real estate, multi-storeyed or other building and group housing schemes.  |
| Hotels.                  | 46. To carry on the business of hotel, restaurant, cafe, tavern, beer house, restaurant room, boarding and lodging house keepers, licensed victualers, wine, beer and spirit merchants, maltsters, manufacturers of aerated minerals and artificial waters and other drinks, purveyors, caterers for public amusements, general coach cab, carriage and motorcar proprietors, livery, staple and garage keepers, job-masters, importers and brokers of food, live and dead stock, hairdressers, perfumers, chemists, proprietors of cubs, baths, dressing rooms, laundries, reading, writing, and newspaper rooms, libraries, grounds and places of amusements and recreations, sports, entertainment and instruction of all kinds, tobacco and cigar merchants. |
| Entertainment.           | 47. To construct cinematography theatres, and other buildings and work and conveniences for the purposes thereof and to manage, maintain and carry on the said theatres and to let out other buildings when so erected or constructed, to carry on the business of proprietors and managers of theater (cinema, picture places and concert halls) and to provide for the production, representation, and performance (whether by mechanical means or otherwise) of operas, stage plays, operettas, burlesques, vaudevilles, revues ballets, pantomimes,  |

spectacular pieces, promenades, and other concerts and other musical and dramatic performance and entertainment, to manufacture films and other appliances and machines in connection with mechanical reproduction or transmission of pictures, movement, music and sounds, and to organise and conduct the theatrical production and entertainments of all kinds.

48. To carry on business as tourist agents, travel agents and contractors, and to facilitate travelling and to provide conveniences for tourists and travellers and promote the provision of conveniences of all kinds in the way of through tickets, circular tickets, sleeping cars or berths, reserved places, hotel and lodging accommodation, guides, safe deposits, enquiry bureaux, libraries, lavatories, reading rooms, baggage transport and otherwise. Tourist agents.
49. To carry on the business of and act as agents, manufacturers, distributors, representatives, traders, stockists, importers, exporters, entitlement negotiators, suppliers and commission agents of products and commodities and materials in any form or shape manufactured or supplied by any company, firm, association of persons, body, whether incorporate or not, individual government, semi-government, or any local authority, and for that purpose manufacture, buy, sell, exchange, market, pledge, distribute, or otherwise manufacture and deal in commodities, goods, articles, materials and things of every description and kind including automobile parts, ball and roller bearings, beverages, chemicals, cigarettes, cotton, cycle parts, electronic goods, fertilisers, food (canned or otherwise), glass materials, liquor, nylon, synthetics, packing materials, pulp and paper products, PVC resins, rubber goods, steel castings, tea, telecommunication systems, textiles, ready-made garments timber products, any other materials and substances of all types and varieties and their products, by-products and compounds of any and every description and kind. General Traders.
50. To carry on, in any mode, the business of storekeepers in all its branches and in particular to buy, sell, manufacture and deal in goods, stores, consumable articles, chattels, and effects all kinds, both wholesale or retail. Storekeepers.
51. To carry on business as importers and exporters of goods or merchandise of any description or to act as shippers, commission agents, forwarding and clearing agents. Importers  
Exporters.
52. To act as investors, financiers, traders, agents, factors, brokers, wharfingers, exporters, importer, shippers, transport agents, surveyors, liquidators, builders underwriters, estate agents and advertising agents. Agents, Factors.
53. To carry on the business of transport, cartage and haulage contractors, garage proprietors, owners and charters of road vehicles, aircrafts, ships, tugs, barges and boats of every description, lighterman, carriers of foods and passengers by road, rail, water or air, carmen cartage contractors, stevedores, wharfingers, cargo superintendents, packers, haulers, warehousemen, storekeepers, and job-masters. Carriers.

- |   |  |
|---|--|
| Investment.   | <p>54. To buy, sell and deal in shares, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture stocks, bonds, obligations and securities, issued or guaranteed by any government, sovereign ruler, commissioners, public body or authority, supreme, municipal, local, or otherwise, whether at home or abroad, to acquire any such shares, stocks, debenture stocks, bonds, obligations or securities by original subscription, tender purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee for subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof, to issue shares, stocks, debentures, debenture stocks, bonds, obligations and securities of all kinds and to frame, constitute and secure the same as may seem expedient with full power to make the same transferable by delivery or by instrument of transfer or otherwise and either perpetual or terminable and either redeemable or otherwise and to charge or secure the same by trust deed or otherwise on the undertaking of the Company or upon any specific property and rights presents and future of the Company (including if thought fit, uncalled capital).</p> |
| Finance.  | <p>55. To carry on the business of financiers and for that purpose to give and take loans, with or without security, and on such terms and conditions as the Company may in its absolute discretion deem fit, to any person or persons, to enable them to purchase either by themselves or jointly with other person or persons, provided that the Company shall not carry on any banking business within the meaning of Banking Regulations Act, 1949.</p>  |
| Leasing.  | <p>56. To carry on the business of leasing, hire purchase or any financing business and to acquire, provide on lease, hire purchase or otherwise all types of industrial, office or domestic plant, equipment, machinery, vehicles, buildings, real estate and any or all other types of assets.</p>   |
| Rural Development and other National Priority Projects. | <p>57. To undertake, manage, finance, promote, sponsor and associate or otherwise carry on either individually or in association in any manner with any other person or government authority programme of rural and agricultural development in India including any programme for promoting the social and economic welfare of or the uplift of the public in any rural areas, and without prejudice to the generality of the foregoing, to subscribe, donate, establish, provide, maintain, conduct, subsidize, undertake, associate with, carry on and promote studies, research, experimental work and application of technology in any field of human endeavour by establishing, endowing or assisting workshops, laboratories, schools, hospitals, first aid centres and other technical, scientific, agricultural or any other institutions and bodies for the development of education, medicine, human welfare, agriculture, horticulture, animal husbandry, dairy product, cottage, small scale and any other industry and in order to implement any of the above mentioned objects or purposes, transfer without consideration or at such fair or concessional value as the directors may</p>  |



think fit and divest the ownership of any property of the Company to or in favour of any public or local bodies or central or state government or any public institution or trusts or funds of any other persons(s) as the directors may approve and to undertake any other projects in any field of activity (either directly or in association with others or to contribute in any manner) which is granted recognition by the Income Tax Act or any other law by the Government of India including but not restricted to promotion of family planning, promotion of pollution control, ecology development and preservation and environmental development.

58. To carry on business as proprietors of flats and buildings and to let on lease or otherwise apartments therein and to provide for the convenience commonly provided in flats, suites and residential and business quarters.
59. To promote industrial finance by way of advances, deposits or lend money, securities and properties to or with any company, body corporate, firm, person or association whether falling under the same management or otherwise, with or without security and on such terms as may be determined from time to time, and to carry on and undertake the business of finance, investment and to finance lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to assist in financing of all and every kind of description of hire-purchase or deferred payment or similar transactions and to subsidising or financing the sale and maintenance of any goods, articles, or commodities of all and every kind or description upon any terms whatsoever.  

Inserted by Special Resolution dated 3.8.1995 and confirmed by an order of the Company Law Board dated 16.7.1996.
60. To give guarantee or provide security for the payment of money including principal, interest and dividend, secured or unsecured payable in respect of promissory notes, bonds, debentures, debenture-stocks, shares, securities, contracts, mortgage(s), charge(s), obligations, instruments and securities, and in connection with loan(s) made and/or other facilities given by the financial institution(s), bank(s) or any other person(s) to any person(s) including body(ies) corporate.  

Inserted by Special resolution dated 30.9.1997.
61. To research, design, develop, purchase, import, take on hire, pilot, maintain, manage, exploit, export, sell, distribute and deal in all types of system software, application software, computer lanes, computer applications, information system packages, resource planning and software manning, processing software, and any other systems and application software used by or involving computers, data processing systems, information technology systems, broadcasting systems, transmission systems of all kinds and types including satellite, wave and underwater communication systems, defence applications or systems, electric, electronic, digital and any other advanced innovative systems that may be developed or come into being in the future, aviation and navigational systems and all consumer packages used by educational, domestic, entertainment, industrial, commercial and other sectors in all Indian and foreign languages and to provide complete solutions in Computer operations and related business  

Inserted by special resolution dated 8.8.2000.



activities on a CONCEPT TO COMMISSIONING basis including providing of Computer Consultancy Services, System Designing & Implementation, studying and identifying the management information needs & potential areas of computerisation, Manufacture and supply of complete range of Hardware, Multimedia communication Accessories, Network Installation & Solution Maintenance of Computer & Communication Equipment, Solutions to develop Application Software, Market System Software, innovative software and software of all kinds and for all uses and for all types of consumers in all Indian and foreign languages.

Inserted by Special  
Resolution dated  
8.8.2000

62. To carry on business of providers of Internet services, Web sites, Telephone services including satellite based telecom services, owners and providers of band width, value added service providers like video conferencing, e-mail, e-commerce, and providers of all or any other information technology services, providers of facilities for video conferences, Tele-conference, and providers of any other mechanical, electrical, electronic, digital and other innovative communication services, and of all forms and types of entertainment including cable-TV, audio programmes of all kinds satellite TV, satellite direct to home TV operation, and to design, develop, purchase, import, take on hire, manufacture or otherwise acquire, own, maintain, manage, repair, alter, sell, export, lease out, let on hire, sell, dispose of and deal in all equipment, accessories and any equipment or accessory required for the above purposes.

Inserted by Special  
resolution dated  
8.8.2000.

63. To research, develop, fabricate, assemble, manufacture, purchase, take on hire or otherwise acquire, own, manage, maintain, repair, alter, process, service, let on hire, sell, lease out or otherwise dispose of and deal in and provide, information, gateways solid state speech based products, micro process based control systems, computers, computer peripherals, computer consumables, telecommunication equipment, satellites transponders, transmission and broadcasting equipment, switching equipment, telephone switches, wireless apparatus, cables computers, computer peripherals and accessories, modems, fax machines, televisions, telephones, tele-printers, digital converters, data converters, and all other equipments, instruments, and products used in or required for transmission, communication and information technology including radio receivers, transmitters, image processors, data processors, electromagnetic waves intended for radio, telegraphic, telephonic and other communication purposes, audio and video reproduction, projection and amplification equipment and instruments, accessories and components thereof.

Inserted by special  
resolution dated  
8.8.2000.

64. To produce, assemble, process, develop, own, take on hire or otherwise acquire, telecast, broadcast, let on hire, maintain, lease out, sell, distribute or otherwise dispose of and deal in educational programs, entertainment programs, computer aided designs, animated films, cinematographic films, advertisements bulletins, literature and other audio video products for industrial, commercial, domestic and advertisement purposes and

to disseminate information relating to any product, activity or other matter in all Indian and foreign languages.

65. To carry on the business of and/or imparting education, training in computer software, hardware, office automation, web, internet, internet services, multimedia, e-commerce, E.R.P. development and/or implementation, communication systems, or in various other discipline of information technology that may evolve, from time to time, and management through manual or other computer systems whether in India or abroad, and imparting training in various disciplines of information technology and management and for the said purpose establish and run information technology education, research and development institutes, establishing data processing centres and providing consultancy services. Inserted by Special Resolution dated 8.8.2000
  66. To establish and carry on business as service provider for energy efficiency improvement projects as designer/consultant/operator on Build operate and transfer (BOT)/Build, own, operate and transfer (BOOT)/Build, own, operate and maintain (BOOM) basis in industry, building complexes including hotels, hospitals, entertainment and recreation centres, transportation, mining and mineral extraction and agricultural operations. Inserted by Special Resolution dated 8.8.2000
  67. To establish and carry on business as operators of energy efficient utilities starting from source management, procurement, storage and handling of different kinds of fuel, generation of power, steam, refrigeration and air-conditioning energies and utilisation of the same on BOT, BOOT and BOOM basis. Inserted by Special resolution dated 8.8.2000.
  68. To establish and carry on business as processors, importers, exporters, whole sellers, retailers, merchants, traders, commission-agents, buying agents, selling agents, contractors of and dealers in all kinds of energy efficient equipment, systems, components and instrumentation and control systems for energy efficiency system used in industry, building complexes including hotels, hospitals, entertainment and recreation centres, transportation, mining and mineral extractions and agricultural operations. Inserted by special resolution dated 8.8.2000.
- IV. The liability of the members is limited.
- V. The authorized share capital of the Company is Rs. 1,240,000,000 divided into 294,950,000 equity shares of Rs. 2 each and 6,501,000 preference shares of Rs. 100 each with power to increase or reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company. Amended pursuant to scheme of Amalgamation with BRIL, approved by Hon'ble High Court of Delhi on 22.3.2013

Note: The company in general meetings held 9.1.90, 3.8.95, 30.9.97 and 8.8.2000 authorised the carrying on the business set out in the serial nos. 1 to 3, 9 to 11, 19 to 22, 34, 36, 39, 43, 44, 49, to 58, serial nos. 45 & 59, serial no. 60 and serial nos. 61 to 68 respectively under the head 'other objects'.

We, the several person whose names and addresses are subscribed below 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 Capital of the company set opposite our respective names:-

Sl. No.	Names, address, description and occupation of each subscriber	No. of Shares of taken by each Subscriber	Signature of Subscriber	Signature of the witness with address, description and occupation
1.	V.K. Sharma S/o Sh. Siri Bhan House No. 510, Sector-8B Chandigarh 50 (Service)	50 (Equity) 50 (Preference)	Sd/-	<p>I witness the signature and the particulars of the two subscribers to the Memorandum appearing at Sl. Nos. 1 to 2</p> <p>Sd/- (V.P. AGARWAL) S/o Late Sh. Mitra Sain 126-A, Pocket 'A' DDA Flats Sukh Dev Vihar, New Delhi - 110 025 (Service)</p>
2.	V.K. Madan S/o Sh. R.D. Madan A-4, Greater Kailash Encl.II Opp. Savitri Cinema, Savitri Marg, New Delhi-48 (Service)	50 (Equity) 50 (Preference)	Sd/-	
Total		100 (Equity) 100 (Preference)		

Dated : 27-1-89

Place : New Delhi

**(THE COMPANIES ACT, 1956)  
(COMPANY LIMITED BY SHARES)**

**ARTICLES OF ASSOCIATION**

**(Adopted by special resolution dated 21.6.1989)**

**OF**

**DCM SHRIRAM LIMITED**

1. Unless the context or the definition herein contained otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modification thereof for the time being in force at the date at which these Articles become binding on the Company.

Interpretation.

The marginal notes hereto shall not affect the construction hereof and in these presents unless there be something in the subject or context inconsistent there with:

'The Act' means the Companies Act, 1956, and includes any re-enactment or statutory modification thereof for the time being.

'The Company' or 'This Company' means **DCM SHRIRAM LIMITED**

'Articles' or 'Articles of Association' means and includes these Articles, as repealed, altered and modified from time to time.

'Member' in respect of dematerialised shares means the beneficial owner thereof, i.e. the person or persons whose name is recorded as a beneficial owner in the Register maintained by a Depository under the Depositories Act, 1996 and in respect of other shares the person or persons whose name is duly registered as a holder of a share in the Company from time to time and includes the subscribers to the Memorandum of Association.

Substituted by  
Special Resolution  
dated 3.8.1999.

'Directors' means the Directors of the Company for the time being and includes persons occupying the position of Directors by whatever name called including Alternate Directors.

'Capital' means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.

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

'Seal' means the Common Seal for the time being of the Company.

'Person' includes corporations as well as individuals.

'Proxy' includes Attorney duly constituted under a Power of Attorney to vote for a member at a General meeting of the Company on a poll.

'Office' means the Registered office for the time being of the Company.

'Month' means calendar month.

'In writing' and 'written' includes printing, lithography and other modes of representing or reproducing words in visible form. Words importing the singular number shall include where the context admits or requires the plural number and vice versa and words importing the masculine gender shall include feminine.

#### TABLE 'A' EXCLUDED

Table 'A' Excluded	2.	Save as expressly reproduced in the Articles contained in these Articles of Association, the regulations contained in Table 'X' in the first schedule to the Companies Act, 1956, shall not apply to the Company. The Articles of Association shall be subject to exercise of any statutory power of the Company with reference to the repeal, alternation, of or addition thereto by special resolution, as prescribed by the Companies Act, 1956.
Share Capital Amended pursuant to scheme of Amalgamation with BRIL, approved by Hon'ble High Court of Delhi on 22.3.2013	3.	The authorized share capital of the Company is Rs. 1,240,000,000 divided into 294,950,000 equity shares of Rs. 2 each and 6,501,000 preference shares of Rs. 100 each with power to increase or reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company.
Power to issue preference shares.	4.	<p>(i) Subject to the provisions of the Act and these Articles, any shares in the Company may be issued with such preferred, or other special rights, or such restrictions, whether in regard to dividend or repayment of capital or both, as the Company may from time to time by ordinary resolution determine, and any preference shares may be issued on the terms that they are, or at the option of the Company are liable, to be redeemed on such terms and conditions as may be determined by the Company in General Meeting.</p> <p>(ii) Unless the Company in General Meeting otherwise determine or the terms of issue of Redeemable Preference Shares otherwise provide, the redemption of Redeemable Preference Shares shall be effected in the manner set out below:</p> <p>(a) The redemption shall be made by repayment of capital paid up on such shares, together with premium if any, agreed to be paid on redemption at any time or times after such date or dates as the Directors may determine.</p>



- (b) Such shares may be redeemed in entirety or in parts. In the latter case, the Directors may decide the number of shares and the individual shares to be redeemed on each occasion in such manner as they may deem fit.
- (c) The registered holders of the shares to be redeemed shall be given one month's notice of the intention of the Director to redeem the same as aforesaid at their registered address and also by public notice in at least two newspapers, of which one should be in Hindi and other in English, circulating in and around the place where the Registered Office of the Company is situated. The notice for redemption of the registered shareholders shall specify the particulars of the shares to be redeemed, the date fixed for redemption and the place at which the certificates for such shares are to be presented for redemption. On or before the date fixed for redemption, the holder of such shares shall be bound to deliver to the Company at the specified place the related share certificate/s for cancellation. If any certificate so delivered to the Company includes shares not redeemable on that date, a fresh certificate for unredeemed shares shall be issued to the registered holder of the shares.
- (d) Upon surrender of the shares as aforesaid and after the expiry of the date fixed for redemption, the Company shall pay to such holder the amount paid up thereon together with premium, if any, agreed to be paid on redemption and accumulated dividend, subject to deduction of income-tax at the prescribed rates, whether declared or not on the capital paid-up on the date of redemption, where after dividend shall cease to accrue on the shares so redeemed.
- (iii) In the event of winding up, the preference shareholders of the Company will be entitled to receive all arrears of dividend accrued upto the commencement of the winding up, whether such dividends have been earned or declared or not.

4A. Subject to the provisions of Companies Act in this regard, the Board of Directors may, from time to time, issue non-voting equity shares upon such terms and conditions and with such rights and privileges (including with regard to dividend) attached thereto as may be thought fit and permitted and/or required by law, guidelines issued by statutory authorities and listing requirements.

Inserted by Special Resolution dated 18.7.1994.

5. Subject to the provisions of these Articles, the share shall be under the control of the Board who may allot or otherwise dispose of the same to such person, on such terms and conditions, at such times, either at par or at a premium, and for such consideration whether in cash or in kind as the Board thinks fit provided that the option or right to call of shares shall not be given to any person or persons except with the sanction of the Company in General Meeting.

Allotment of Shares.

- |  |     |   |
|--|-----|---|
| Commission for placing shares, debentures, etc.        | 6.  | The Company may, subject to and in accordance with the provisions of Section 76 and other applicable provisions (if any) of the Act, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in or debentures of the company or his procuring or agreeing to procure subscription, whether absolute or conditional for any share in, or debentures of the Company. The commission may be satisfied by the payment in cash or the allotment of fully or partly paid shares, or debentures or partly in one way and partly in the other subject to the applicable provisions, if any, of the Act. The Company may also, on any issue of shares or debentures, pay such brokerage as may be lawful, and usual or reasonable. |
| Shares at discount.                                    | 7.  | With the previous authority of the Company in General Meeting and the sanction of the Company Law Board and upon otherwise complying with Section 79 and other applicable provisions, if any, of the Act, the board may issue at a discount any share of a class already issued.  |
| Deposit and calls etc. to be debt payable immediately. | 8.  | The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call, or otherwise, in respect thereof, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holders of such shares, become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him accordingly.   |
| Installment to be paid.                                | 9.  | 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, every such instalment shall, when due, be paid to the Company by the person, who, for the time being, shall be the registered holder of the shares or by his executors or administrator.   |
| Trust not recognised.                                  | 10. | Save as herein otherwise provided and subject to Section 187C of the Act, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not except as ordered by a court of competent jurisdiction, or as required by statutes be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.   |
| Increase in share capital.                             | 11. | (a) The Company, may from time to time, by ordinary resolution increase the authorised Share Capital by such sum, to be divided into Shares of such amount as may be specified in the resolution.   |
| New Capital same as existing capital.                  |     | (b) Except so far as otherwise provided by the conditions of issue or by these presents, any Capital raised by the creation of issue of new shares shall be considered to be part of the then existing capital, and shall be subject to the provision herein contained.   |
| Inequality in number of new shares.                    | 12. | If, owing to any inequality in the number of new shares to be issued, and the number of shares held by Members entitled to have the offer such new  |

shares, any difficulty shall arise in apportionment of such new shares or any of them, amongst the Members, such difficulty shall, in the absences of any direction in the resolution creating or issuing the shares or by the Company in General Meeting, be determined by the Board.

13. The Company may, subject to the provision of Sections 100 to 105 (both inclusive) and other applicable provisions, if any, of the Act, from time to time by special resolution, reduce its capital and any capital redemption reserve account or premium account in any manner for the time being authorised by law and in particular capital may be paid off on the footing that it may be called up again or otherwise, and the Company may, if and as far as is necessary alter its Memorandum and Articles of Association by reducing the amount of its Share Capital and of its Share accordingly, provided that such special resolution shall not be necessary in case of application of share premium account in the manner authorised by Section 78 of the Act. Reduction of capital.
14. Subject to, and in accordance with provisions of Section 94 of the Act, the Company in General Meeting may, by ordinary resolution from time to time, sub-divide or consolidate or cancel any of its shares in such manner as it may think fit. The Company in General Meeting may, also subject to the provisions of the Act, determine by ordinary resolution that as between the holders of the shares resulting from each sub-division, one or more of such shares shall have some preferential or special rights as regards dividends, payment of capital or otherwise. Sub-division and consolidation of shares.
15. Subject to the provision of Sections 100 to 104 (both inclusive) of the Act, the Board may accept from any Member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares. Surrender of Shares.
- 15A. The Company shall have power, subject to and in accordance with all applicable provisions of the Companies Act, 1956 to purchase any of its own fully paid shares whether or not they are redeemable and may make payment out of its capital in respect of such purchases. Inserted by Special Resolution dated 3.8.1995.

### **VARIATION OF SHAREHOLDERS' RIGHTS**

16. (a) If at any time the Share Capital is divided into different classes of shares, 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 Sections 106 and 107 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourth of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class. To every such separate General Meeting, the provisions of these Articles relating to General Meeting shall, to the extent consistent, apply. Power to vary rights.

- (b) The rights conferred upon the holders of the shares of any class with preferred or other rights shall not, unless otherwise expressly provided by terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari-passu* therewith.

Member's right to certificate

17. Every member shall be entitled free of charge to one certificate for all the shares of each class registered in his name, or if the Board so approves to several certificates each for one or more of such shares provided that in respect of each additional certificate which does not comprise shares in lots of market unit of trading, the Board may, subject to the provisions of the Act, the applicable rules and these Articles, Charge a fee of rupees two or such smaller sum as it may determine. The Company shall complete and deliver all certificates of shares within three months after the allotment of any of its shares or within one month, after the application for the registration of the transfer, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall specify the name of the person(s) in whose favour it is issued, its number and denoting the number of shares in respect of which it is issued and the amount paid up thereon.

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

18. The issue of share certificates in duplicate and the issue of new shares certificates or consolidation or sub-division or in replacement of any share certificates which are surrendered for cancellation due to their being old, decrepit, worn out, defaced torn or otherwise mutilated on rendered useless or whereon the space for recording transfers of the shares to which the said certificate shall relate has been filled up, shall be in accordance with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, or any statutory modification or re-enactment thereof. If any share certificate be lost or destroyed then upon proof thereof to the satisfaction of the Board and on such indemnity as the Board may deem fit and adequate being given a new certificate in lieu thereof shall be given to the party entitled to the shares to whom such lost or destroyed certificates belongs who shall also bear and pay to the Company all costs-and other expenses of the company incidental to the investigation by the Company of the evidence of such destruction or loss and to the preparation of such indemnity.

### **CALLS**

19. The Board may, from time to time, subject to the terms of which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and such members shall subject to his having been given at least thirty days notice specifying the time or times and place of payment pay the amount of every call so made on him to the persons and at the times and places so appointed by the Board. A call may be made payable by instalments and shall be deemed



to have been made at the time when the resolution of the Board authorising such call was passed at a meeting of the Board.

20. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times whether on account of the nominal amount of the shares or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice has been given, and all the provisions herein contained in respect of calls, forfeiture or otherwise shall relate to such amount or instalment accordingly. When amount payable.
  
21. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being of the shares in respect of which the call shall have been made, or the instalments shall be due, shall pay interest for the same at the rate of fifteen percent per annum or such lower rate of interest as the Board may determine from time to time from the day appointed for the payment thereof till the time of actual payment. The Board shall be at liberty to waive payment of any such interest either wholly or in part. When interest on call or instalment.
  
22. On the trial or hearing of any action or suit brought by the Company against any shareholder or his legal representatives to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of defendant is, or was, when the claim arose, on the Register of Members of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the Minute Book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Board who made any call, or that a quorum was present at the Board meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt. Evidence in action by Company against shareholder.
  
23. Neither a judgement in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence, granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided. Initial payment not to preclude forfeiture.
  
24. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any share registered Voting right when calls in arrears.



in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company, has and has exercise, any right of lien.

Payment of calls in advance

25. The Board may, if it thinks fit, subject to the provisions of the Act, receive from any Member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sum actually called for, and upon the moneys so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares, in respect of which such advance has been made, then Company may pay interest at such rate to the Member paying such sum in advance as the Board may agree upon. Moneys so paid in excess of the amount of calls shall not rank for dividends or confer any right to participate in profits, and until appropriated towards satisfaction of any calls, shall not be treated as part of its capital and shall be repayable at any time if the Board in its absolute discretion so decides.

### FORFEITURE AND LIEN

If call or instalment not paid, notice may be given.

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

Form of notice.

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

If notice is not complied with share may be forfeited.

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

Notice after forfeiture.

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

30. Any share so forfeited shall be deemed to be the property of the Company, and the board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit. Forfeited Shares to become property of the Company.
31. The Board may, at any time before any share so forfeited shall have been reallocated or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. Power to annul forfeiture
32. A person whose share has been forfeited shall cease to be a Member in respect of the share, but shall notwithstanding such forfeiture, remain liable to pay, and shall forthwith, pay to the Company, all calls, or instalments, interest and expenses owing upon or in respect of such share, at the time of the forfeiture together with interest thereon, from the time of the forfeiture, until payment, at fifteen percent per annum or at such lower rate as the Board may from time to time determine and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. Liability on forfeiture
33. A duly verified declaration in writing that the declarant is a Director, Manager or Secretary of the Company and has been authorised by a Board resolution to act as declarant and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of the Company, for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares and the person to whom any such share is sold shall be registered as the holder of such share and shall not be bound to see the application of purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition. Evidence of forfeiture
34. The forfeiture provisions of these Articles and Articles 36 to 38 hereof 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. Forfeiture provisions to apply to non-payment in terms of issue.
35. The Company shall have a first and paramount lien upon every share not being fully paid-up, registered in the name of each Member (whether solely or jointly with others), and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such share whether the time for payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that Article 10 thereof is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such share. Company's lien.

Provided the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Provided further that unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

As to enforcing lien by sale.

36. For the purpose of enforcing such lien, the Board may sell the shares in such manner as it thinks fit, but no sale shall be made until the sum in respect of which such lien exists is presently payable and until a notice in writing of the intention to sell has been served on such Member, the executor or administrator or other legal representative as the case may be and default has been made by him or them in the payment of the money called or payable at a fixed time in respect of such share for thirty days after the date of such notice.

Application of proceeds of sales.

37. The net proceeds of the sale shall be received by the Company and after payment of the costs of such sale, applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any shall (subject to a like lien for sums not presently payable as existed upon the share before the sale) be paid to the persons entitled to the share at the date of the sale.

Validity of sales in exercise of lien and after forfeiture.

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

Board may issue new certificate.

39. When any share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered to the Company by the former holder of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up. On the issue of such certificate the original certificate in respect of such share shall stand automatically cancelled and be void.

### TRANSFER AND TRANSMISSION OF SHARES

Execution of transfers etc.

40. Save as provided in Section 108 of the Act, transfer of a share shall not be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate, or, if no such

certificate is in existence, with the Letter of Allotment of the share and such other evidence as the Board may require to prove the title of transferor and transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof. Each Signature to such transfer deed shall be duly attested by the signature of one credible witness who shall add his name and address.

41. The Company shall not accept application for transfer of less than such number of shares as may, in consultation with the Stock Exchanges on which the shares of the Company are listed, be fixed, provided however the said prohibition shall not apply to:
  - (a) The transfer of equity shares made in pursuance of statutory provision or an order of a court of law;
  - (b) The transfer of the entire equity shares by the existing equity shareholder of the Company by a single transfer to single or joint names;
  - (c) The transfer of more shares than the minimum prescribed in the aggregate in favour of same transferee under two or more transfer deeds, out of which one or more relates to the transfer of less than the minimum prescribed.

Company not to register transfer of less than such number of shares as may be fixed.
42. Every instrument of transfer of shares shall be in the form prescribed under the Act or the Rules made thereunder and shall be in accordance with the provisions of Section 108 of the Act.
 

Form of transfer.
43. Subject to the provisions of these Articles and Section 111 of the Act, and Section 22A of the Securities Contract (Regulations) Act, 1956 the Board may decline to register or acknowledge any proposed transfer or transmission of shares whether or not the transferee is a member of the Company and in any case in which the Company has a lien upon the shares or any of them or otherwise or in case of shares not fully paid up while any moneys called up and payable at a fixed time in respect of the shares desired to be transferred, or any of them remain unpaid.
 

Directors may refuse to register transfer.

Provided that registration of transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person indebted to the Company on any account whatsoever except a lien on the shares.
44. No transfer shall be registered in favour of a person of unsound mind and no transfer of partly paid shares shall be registered in favour of a minor.
 

No transfer to minor etc.
45. Every instrument of transfer shall be deposited at the office of the Company for registration, accompanied by the documents and evidence as required under these Articles.
 

Instrument of transfer to be deposited at office.

Power to close  
Register of  
Members.

46. On giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the Registered Office of the Company is situated, subject to the provisions of Section 154 of the Act, registration of transfer may be closed or suspended during such time and for such periods not exceeding in the aggregate forty five days in each year, but not exceeding thirty days at any one time as the Board may from time to time determine.

Persons entitle to  
shares by  
transmission.

47. In case of the death of a Member, the survivor, where the decease was joint holder, and his legal representative, executor or administrator 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; but nothing herein contained 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. The Board may require any person becoming entitled to shares in consequence of the death of any Member to obtain a Grant of Probate or letter of Administration or other legal representation, as the case may be, from Competent Court, provided that it shall be lawful for the Board in its absolute discretion to dispense with the production of Probate or Letter of Administration or such other legal representation, upon such terms as to indemnity or otherwise as the Board may think fit, without in any case being bound to do so. The powers and discretions of the Board under this Article may be delegated and exercised by a Committee of Directors or an officer of the Company duly authorised in this regard.

As to transfer of  
shares of insane,  
infant, deceased or  
bankrupt Members.

48. Any committee or guardian of a person of unsound mind or minor or any person becoming entitled to the transfer of a share in consequence of the death or bankruptcy or insolvency of any Member or by any other lawful means, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may subject to the right of the Board to decline registration under Article 43 of these Articles, elect, either.

- (i) To be registered himself as holder of the shares, or
- (ii) To make such transfer of the shares as the deceased or the insolvent member could have made.

Rights of Persons  
entitled to Shares by  
reason of death etc.

49. The Board may, subject to the provisions of the Act, retain the dividends payable upon a share to which any person becomes entitled under Article 48 of these Articles, until such person or his transferee shall become a Member in respect of such shares.

Election under the  
transmission.

50. (1) If the person becoming entitled under the Transmission Article 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.
- (2) If the persons aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.



- (3) All the limitations, restrictions and provisions of these Articles relating to the right of transfer and the registration of instruments of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death, lunacy, bankruptcy or insolvency of the Member or transmission or devolution of his share by any other lawful means had not occurred and the notice of transfer was a transfer signed by that Member.

51. Every transmission of a share shall be verified in such manner as the Board may require and the Company may refuse to register any such transmission until the same is so verified or until or unless an indemnity is given to the Company with regard to such registration, which the Board at its discretion shall consider sufficient, provided nevertheless there shall not be any obligations on the Company or the Board to accept any indemnity. Board may require evidence of transmission.
52. A person so becoming entitled under the Transmission Article to a share by reason of a death, lunacy, bankruptcy or insolvency of the holder thereof or by any other lawful means shall, subject to the provisions of these Articles be entitled to the same dividends and other advantages to which he would be entitled as if he were the registered holder of the share except that no such person shall, before being registered as a Member in respect of the share, being entitled to exercise in respect thereof any right conferred by membership in relation to meetings of the Company. Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself as a Member in respect of such share or elect to have some person nominated by him registered as a Member in respect of such share subject to the right of the Board to decline registration under Article 44 of these Articles and, if such notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with. Right of person entitled to Shares under the Transmission.
53. Neither the Company nor any of its Director or other Officers shall incur any liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of a share made or purporting to be made by any apparent or legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in such share, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered any such notice or referred thereto in any book or record of the Company, and the Company shall not be bound to inquire into or and attend to or give effect to any such notice nor be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book or record of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board shall so think fit. The Company not liable for disregarding of a notice prohibiting registration of transfer.

Transfer of  
debentures.

54. The Provisions of these Articles shall mutatis mutandis apply to the transfer or transmission by operation of law of debentures or other securities of the Company.

Joint holders.

55. Where two or more persons are registered as the holder 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, but so that:

- (a) The Company shall be entitled to decline to register more than four persons as joint-holders of any shares, and
- (b) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share.

Receipt of one  
sufficient

56. Any one of the joint-holders of a share may give effectual receipts for any dividends or other moneys payable in respect of such share or bonus share.

Delivery of  
certificate and  
giving notice to first  
named holders.

57. (1) Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall unless otherwise directed in writing by all joint-holders and confirmed in writing by the Company be entitled to delivery of the certificate relating to such share or to receive notices (which expression shall be deemed to include all documents) from the Company and any notice given to or served on such person shall be deemed as a notice or service to all the joint-holders.
- (2) Subject to the provisions of these Articles, the person first named in the Register as one of the joint-holders shall be deemed as a sole holder thereof for all the matters connected with the Company.

## DEMATERIALISATION OF SECURITIES

### Definitions

Inserted by Special  
resolution dated  
3.8.1999.

- 57A (1) For the purpose of this Article:  
'Beneficial owner' means a person or persons whose name(s) is/are recorded in the Register maintained by a Depository under the Depositors Act, 1996.

'SEBI' means the Securities and Exchange Board of India.

'Depository' means a Company formed and registered under the Act and which has been granted a certificate of registration by SEBI under the Securities & Exchange Board of India Act, 1992.

'Security' means such security as may be specified by SEBI from time to time.

## **Dematerialisation of Securities**

- (2) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the provisions of the Depositories Act, 1996 or otherwise.

## **Issue of Securities and option for investors**

- (3) Notwithstanding anything contained in these Articles, every issue of security by the Company shall be in the dematerialised form and the Company shall intimate the details of allotment to the depository immediately on allotment of such securities.

Investors in a new issue and the beneficial owners shall have the option to rematerialise the shares subsequent to the allotment or dematerialisation, as the case may be, in which event the Company shall issue to the investor/beneficiary the required certificates of securities subject to the provisions of applicable laws, rules, regulations or guidelines. The shares so rematerialised shall bear new distinctive numbers so as to identify them from the shares not dematerialised.

## **Securities in depository mode to be in fungible form**

- (4) All securities held in the depository mode with a depository shall be dematerialised and be in fungible form. To such securities held by a depository on behalf of a beneficial owner, nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act shall apply.

## **Rights of depositories and Beneficial Owners**

- (5) (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have other membership rights in respect of the securities held by it.
- (c) Every person holding securities of the Company and whose name is entered as the beneficial owner in the register maintained by a depository shall be deemed to be a member of the Company. The beneficial owner of securities shall alone be entitled to all the rights and benefits and be subject to all the liabilities in respect of the securities held in the depository mode of which he is the beneficial owner.

### **Service of documents**

- (6) Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository mode, the records of the beneficial owner may be served by a depository on the Company by means of electronic mode or by delivery of floppies or discs.

### **Transfer of Securities**

- (7) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered in the Register maintained under the Depositories Act by a depository as beneficial owners.

### **Distinctive numbers of securities held in the depository mode**

- (8) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in the depository mode.

### **Register and Index of Beneficial Owners**

- (9) The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and index of Members and holders of securities for the purpose of these Articles and the Act.

Voting right to first  
named holders.

58. Any one of the joint-holders of a share may vote at any meeting personally or by proxy as if he were a sole holder thereof provided that if more than one joint-holder of the share is present personally or by proxy then such of them whose name stands higher in the Register in respect of such share shall alone be entitled to vote in respect thereof.

### **BORROWING POWERS**

Power to borrow.

59. The Board may, from time to time, at its discretion, subject to the provisions of Section 292, 293 and 370 of the Act and of these Articles, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow moneys, either from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) and then remaining outstanding and undischarged at the time exceed the aggregate, for the time being, of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, the Board shall not borrow such money without the consent of the Company in General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such

terms and conditions in all respects as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the shareholders of the Company in respect of the amount unpaid for the time being on the shares held by them, without the previous sanction of the Company in General Meeting.

60. Subject to the provisions of the Act and these Articles, any debentures, debenture stock, bond or other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, drawings, attendance at General Meeting of the Company, allotment of share, appointment of Directors and otherwise. Debentures, debenture stock bond and other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued. Provided that debenture/debenture stock, loan/loan stock with the right of conversion into equity shares, shall not be issued except with the sanction of the Company in General Meeting.
61. Subject to the provisions of the Act, if the Directors or any of them or any other persons shall incur or be about to incur any liability or become personally liable, whether as principal or as surety, for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security, over or affecting the whole or any part of the assets of the Company by way of Indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

Issue at discount  
etc., or special  
privileges.

Indemnity may be  
given.

### GENERAL MEETINGS

62. The Company shall, in addition to any other meetings, each year hold a General Meeting as its Annual General Meeting in accordance with the provisions of Section 166 of the Act, at such time and place as may be determined by the Board and shall specify the Meeting as such in the notices calling it. All General Meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings, if for any reason beyond the control of the Board, the General Meeting (including an Annual General Meeting) cannot be held on the appointed day, the Board shall have the power to postpone the General Meeting of which a notice should be given to the Members through advertisement in at least two newspapers, of which one should be in the language of the region in which the Registered Office of the Company is situated.

Annual General  
Meeting.



Extra-Ordinary  
General Meeting.

63. The Board may whenever it thinks fit, and shall on the requisition of the member in accordance with the provisions of Section 169 of the Act, proceed to call an Extra-ordinary, General Meeting of the Company. The requisitionists may in default of the Board convening the same, convene the Extra-Ordinary General Meeting as provided by section 169 of the Act. Provided that unless the Board shall refuse in writing to permit the requisitionists to hold said meeting at the Office, it shall be held at the Office.

### PROCEEDINGS OF GENERAL MEETING

Notice of business  
to be given.

64. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the reports of the Directors and of the Auditors, to elect directors in place of those retiring by rotation, to appoint Auditors and to fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extra-ordinary General Meeting shall be deemed as Special Business.

Quorum to be  
present when  
business  
commenced.

65. (a) No Business shall be transacted at a General Meeting unless quorum is present at the time of the commencement of the business. Save as herein otherwise provided, at least five members present in person shall constitute a quorum.
- (b) If within half an hour from the time appointed for holding the meeting a quorum shall not be present, the meeting, if convened by or upon the requisition of Members shall stand dissolved, but in any other case, the meeting shall stand adjourned, in accordance with the provisions of subsection (3), (4) and (5) of Section 174 of the Act.

Resolution passed.

66. Any act or resolution, which under these Articles or the Act is permitted or required to be done or passed by the company in general meeting, shall be done or passed by an ordinary resolution as defined in Section 189 (1) of the Act, unless either the Act or these Articles specifically require such act to be done or resolution to be passed by a special resolution as defined in Section 189 (2) of the Act.

Chairman of the  
General Meeting.

67. (1) The Chairman of the Board shall preside as Chairman at every General Meeting of the Company. In the absence of the Chairman of the Board the Vice-Chairman of the Board shall so preside. If there be no Chairman/ Vice-Chairman of the Board or if at a meeting, the Chairman/Vice-Chairman of the Board is not present within fifteen minutes after the time appointed for holding such a meeting or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their members to be the Chairman of the meeting and if no Director be present, or if all the Directors present decline to take the chair, then the Members present shall elect one of their Members, being a Member entitled to vote, to be the Chairman of such meeting.

- (2) No business shall be discussed at any General Meeting except the election of the Chairman, whilst the Chair is vacant. Business confined to election of Chairman whilst Chair vacant.
68. (1) The Chairman may, with the consent of the meeting and shall, if so directed by the meeting, adjourn the same, from time to time, and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Chairman with consent may adjourn meeting.
- (2) When meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting and save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
69. (1) Every question submitted to a meeting shall be decided, in the first instance unless a poll is demanded, in accordance with Section 179 of the Act, by a show of hands and in the case of an equality of votes either on a show of hand or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote in addition the vote which he may be entitled as a member. Votes by show of hands.
- (2) A declaration by the Chairman that a resolution has, on a show of hands, been carried unanimously or by a particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.
- (3) Any business other than that upon which a poll has been demanded may be proceeded with pending the taking of a poll.
70. (1) On a show of hands, every Member present in person and being a holder of equity shares shall have one vote and every person present as a duly authorised representative of a body corporate being a holder of an equity share shall, if he is not entitled to vote in his own right, have one vote. Votes of Members.
- (2) On a poll, the voting rights of a holder of an equity share shall be as provided in Section 87 of the Act.
71. A company or a body corporate which is a member of the Company (hereinafter called "Member Company") may vote by proxy or by representative duly appointed in accordance with section 187 of the Act. A person duly appointed to represent the Member Company at any meeting of the Company or at any meeting of any Class of Members of the company, shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the Member Company which he represents as that Member Company could exercise it it were an individual Member. Representation of Corporation.

Vote in respect of  
deceased and  
insolvent Members.

72. Any person entitled under Article 48 of these Articles to transfer any shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty eight hours at least before the time of holding the meeting or the adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of the right to transfer such shares, or the Board shall have previously admitted his right to vote at such meeting in respect thereof. If any member be a lunatic, idiot or non-composment is, he may vote whether on a show of hands or at Poll by his committee curator bonds or other legal curator and such last mentioned persons may give their votes in person or by proxy on a poll.

Votes by Joint  
executors etc.

73. Where there are several executors or administrators of a deceased member in whose sole name any share is registered any one of such executors or administrator may vote in respect of such share unless any other of such executors or administrators is present at the meeting at which such a vote is tendered and objects to the vote. In such a case, the provisions relating to votes of joint-holder contained in Article 58 of these Articles shall apply.

When vote by Proxy  
valid though  
authority revoked.

74. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing shall have been received by the Company at the Office before the vote is given provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

Forms of Proxy.

75. Every Instrument of Proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in either of the forms set out in Schedule IX of the Act.

Custody of the  
instrument.

76. If any such instrument of appointment be confined to the object of appointing an attorney or proxy, it shall remain permanently or for such time as the Board may determine, in the custody of the Company, if embracing other objects, a copy thereof accompanied with the original, shall be delivered to the Company to remain in the custody.

Objections as to  
qualifications of  
votes.

77. No objection shall be raised as to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote disallowed at such meeting shall be valid for all purposes. Any such objection or objections as to the admission or rejection of a vote, either on a show of hands, or on a poll made in due time, shall be referred to the Chairman of the meeting who shall forthwith decide the same and such decision shall be final and conclusive.

## DIRECTORS

- |     |   |                                   |
|-----|---|-----------------------------------|
| 78. | The Board of Directors shall consist of not less than three Directors and not more than twelve Directors or such higher number not exceeding fifteen as may be approved by the central government.  | Number of Directors.              |
| 79. | Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the Industrial Credit and Investment Corporation of India Limited (ICICI) or to any other Financial Institution (hereinafter in this Article referred to as 'The Corporation') out of any loans, debenture assistance granted by the Corporation to the Company or so long as the Corporation holds or continue to hold debenture/shares in the Company as a result of underwriting or by direct subscription or subscription by the private placement or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint, from time to time, any person or persons as a Director or Directors, non-whole time, or whole time in the event of default, as specified in any agreements/contracts/deeds/documents entered into between the Corporation and the Company or executed by the Company in favour of the Corporation (which director or directors is/are hereinafter referred to as 'Nominee Directors' on the Board of the Company and to remove from such office any person or persons so appointed, and to appoint any person or persons, in his or their places. | Appointment of Nominee Director/s |

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or the Corporation holds or continues to hold debenture/share in the Company, as a result of underwriting or direct subscription or subscription by private placement or the liability of the Company arising out of any guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately, the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/shares in the Company or on satisfaction of the liability of the Company arising out of any guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and the Meetings of the Committee, of which the Nominee Director/s is/are Members,



as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Directors sitting fees and expenses to which the other Directors of the Company are entitled but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commissions, moneys and the remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or directorship shall also be paid or reimbursed by the Company to the Corporation, or to such Nominee Director/s, as the case may be, Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same accordingly be paid by the Company directly to the Corporation.

In case the Nominee director appointed by the Corporation is a whole time Director, such Nominee Director shall exercise such power and duties, as may be approved by the Corporation and have such rights, as are usually exercised or available to a Whole-time Director in the management of the affairs of the Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commissions and moneys, as may be approved by the Corporation and the Central Government. Notwithstanding anything to the contrary contained in this Article, the number of "Nominee Directors" shall not exceed two.

Appointment of  
Alternate Director.

80. The Board of the Company may appoint an alternate Director/s to act for one or more Directors (hereinafter called the "Original Director/s") during his/their absence for a period of not less than three months from the Union Territory of Delhi and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Board and attend and vote thereat accordingly. An Alternate Director/s appointed under this Article shall vacate office if and when the Original Director/s return/s to the Union Territory of Delhi if the terms of the original Director/s is determined before he/they so return/s to the Union Territory of Delhi, any provision in the Act, or in these Articles for the automatic re- appointment of Retiring Directors in default of another appointment shall apply to the Original Director/s and not the Alternate Director. Provided always that no person shall be appointed by the Board as an Alternate Director who shall not have been previously approved in writing by the Original Director/s.

Appointment of  
Additional Director.

81. Subject to the provisions of Section 260 and other applicable provisions (if any) of the Act, the Board shall have power at any time and from time to time, to appoint a person as an Additional Director but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. The Additional Director so appointed shall retire from Office at the



next following Annual General Meeting but shall be eligible for election by the Company at that meeting as a Director.

- |     |  |  |
|-----|--|--|
| 82. | A Director shall not be required to hold any qualification share.  | Qualification of Director.                                       |
| 83. | <p>(1) Subject to the provisions of Sections 198, 303, 310 and 311 of the Act, the remuneration of the directors of the Company shall be as determined by the Company in a General Meeting from time to time.</p> <p>(2) The remuneration of a Director for attending the meeting of the Board or a Committee thereof shall be such sum as may be prescribed by the Act or by the Central Government from time to time.</p> <p>(3) The Directors shall also be entitled to payment of travelling allowance for attending and returning from meeting of the Board or any Committee thereof or General Meetings of the Company or for any journeys performed in connection with the business of the Company at the following scale viz:</p> <p style="margin-left: 40px;">(a) Where the journey is performed by air, 1-1/4th of the plane fare.</p> <p style="margin-left: 40px;">(b) Where the journey is performed by rail, 1-1/3rd of the fare by air conditioned coach or first class as the case may be.</p> <p style="margin-left: 40px;">(c) Where the journey is performed by road, actual expenses.</p> <p>(4) In addition to the above, the Directors shall be entitled to reimbursement of all reasonable hotel and other expenses, as may be determined by the Board from time to time, incurred in attending the meeting of the Board or any Committee thereof, or generally any other business of the Company.</p> | Remuneration of Director   |
| 84. | If any Director, being willing, shall be called upon to perform extra services or entrusted with any extra work or to make any special exertions for any of the purposes of the Company or in giving special attention to the business of the Company as a member of a committee of Directors or otherwise, such Director may be remunerated in such manner as may be determined, subject to the provisions of Sections 309 and 314 of the Act.  | Special Remuneration of Directors performing extra service.      |
| 85. | If any Director be called upon to go or reside out of Delhi on the Company's business and if any Director who has a usual place of residence outside Delhi is called upon to come to Delhi for Company's business or if such Director is required to go to any other place from his usual place of residence, he shall be entitled to be paid any travelling or other expenses incurred in connection with the business of the Company.  | Expenses incurred by a Director for going out on Company's work. |
| 86. | (1) The continuing Directors may act notwithstanding any vacancy in their body, but so that if and so long as their number is below the number   | Director may act notwithstanding vacancy.                        |

fixed by the Articles of the Company as the necessary quorum for the Board, the continuing Director or Directors as the case may be, shall, except for the purposes of increasing the number of Directors to that number or for summoning a General Meeting, not act for any other purposes.

- (2) All acts done by any meetings of the Board or of a Committee thereof by any persons 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 persons acting as aforesaid, or that they or any of them were disqualified, be a valid as if every such Director or such persons had been duly appointed and was qualified to be a Director.

Chairman and Vice-Chairman

87. Subject to the provisions of the Act, the Board of Directors shall appoint a Chairman and a Vice-Chairman of the Board. In the absence of Chairman the Vice-Chairman shall act as a Chairman. If no such Chairman/Vice-Chairman is appointed, or if at any meeting, the Chairman/Vice-Chairman are not present within five minutes after the time appointed for holding the meeting or in the absence of Chairman, Vice-Chairman present declines to act as a Chairman, the Directors present may choose one of their members to be the Chairman of such meeting.

Managing Director and Chief Executive Officer of the Company shall be the Chairperson of the Company.

Inserted by Special Resolution dated 12.08.2014

Managing/ Wholetime Directors.

Amended by Special Resolution dated 7.7.1990 and approved by Central Government vide letter dated 25.9.1990.

88. The Board may, from time to time, appoint one or more of their body to be managing director or managing directors and whole time directors of the Company, and may, from time to time, remove or dismiss him from office, and appoint another in his place but his appointment shall be subject to determination ipso facto if he ceases for any cause to be a Director of the Company.

The Board may, from time to time, entrust to and confer upon the managing director(s)/whole time director(s) by whatever name called for the time being, such of the powers exercisable under these presents by the Directors as it may think fit, and may confer such power for such time, and to be exercised for such objects and purposes, upon such terms and conditions, and with such restrictions as it thinks expedient, and may from time to time revoke, withdraw, alter or vary all or any of such powers.

The remuneration of managing director(s)/whole time director(s) shall be such as may from time to time be fixed by the Board subject to the provisions of Section 309 of the Companies Act, 1956.

Subject to the provisions of Section 255 of the Companies Act, 1956, the Managing Director/Whole-time director shall not be liable to retire by rotation.

### PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of Directors.

89. The Directors may meet together as a Board for the despatch of business from time to time and shall so meet at least once in every three calendar months,

and the Board may adjourn and otherwise regulate its meetings and proceedings as it may think fit.

90. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in the one-third being rounded off as one), or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-third of the total strength, the number of Directors who are not interested, and are present at the meeting, being not less than two, shall be the quorum or such time. Quorum.
91. If at a meeting of the Board, a quorum shall not be present then the meeting shall stand adjourned to such day, time and place as the Chairman and in his absence, the Vice-chairman and failing both of them, the Director or Directors present at the meeting may fix. Adjournment of meeting for want of quorum.
92. A Director may, and the Manager or secretary on the requisition of a Director shall, at any time, summon a meeting of the Board. When meeting to be convened.
93. Questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of equality of votes, the Chairman of the meeting shall have a second or casting vote. Question at Board Meeting how decided.
94. Subject to the provisions of the Act, and these Articles, the Board may from time to time and at any time, delegate any of its powers to a Committee(s) consisting of such Director or Directors as it thinks fit, and it may from time to time revoke and discharge any such Committee either wholly or in part and either as to persons or purposes but every Committee of the Board formed shall in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with regulations and in fulfillment of purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board. Subject to the provisions of the Act, the Board may from time to time fix the remuneration to be paid to any Member or Members of their body constituting a Committee appointed under this Article and may pay the same. Board may appoint Committee.
95. The meetings and proceedings of any such committee of the Board shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations made by the Board under these Articles. Meeting of the Committee, how to be governed.
96. (1) Subject to the provisions of the Sections 289, 292 and 297 of the Act, a resolution passed by circulation, without a meeting of the Board or a Committee of the Board shall be as valid and effectual as a resolution duly passed at a meeting of the Board or a Committee thereof duly called and held. Resolution by Circulation

- (2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the directors or to all the Members of the committee at their respective addresses registered with the Company and has been approved by a majority of Directors or Members of the Committee as are entitled to vote on resolution.

### POWERS OF DIRECTORS

- Powers of Directors. 97. Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers of the Company and do all such acts and things as the Company is authorised to exercise or do and as are not, by the Act, or any other statute or by the Memorandum or Articles of Association of the Company required or directed to be exercised or done by the Company in General Meeting, subject nevertheless to these Articles, the Act or any other statute and to such regulations not inconsistent therewith including regulations made by the Company in General Meeting, but no regulations made by the Company in the General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
- Certain Powers of the Board. 98. Without prejudice to the general powers conferred by the foregoing Articles and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions and provisions contained in the Articles and the Act, it is hereby declared that the Board shall have the following powers, that is to say, power:
- Donations etc. (a) To pay donations to any individuals or institutions or contribute to any charitable, religious, benevolent, national, political, public or general and other funds not directly relating to the business of the company or the welfare of its employees, any sums the aggregate of which will, in any financial year, not exceed fifty thousand rupees or five per cent of the average net profits of the Company during the three financial years immediately preceding, whichever is greater, and may with the consent of the Company in General Meeting contribute any sums in excess of such limits.
- (b) To authorise or empower any Director or Managing Director or Secretary or any other officer of the Company either by name, in virtue of office or otherwise or any other person or persons, either singly or jointly to exercise or perform all or any of the powers, including the power to sub-delegate authorities and duties conferred or imposed on the Board by way of these Article subject to such restrictions and conditions if any, and either generally or in specific cases as the Board may think proper.
- Appointment of officers etc. (c) To appoint and at their discretion, remove or suspend such officers by whatever designation called managers, engineers, experts, legal

advisors, solicitors, clerks, agents, salesmen, workmen and other servants or professionals, for permanent, temporary or special services, as the Board may, from time to time, think fit and determine their duties, fix their salaries, emolument and delegate to or confer upon them such powers, including the power to subdelegate authorities and discretions as the Board may think fit.

- (d) To provide for the welfare of employees or ex-employees or Directors or ex-Directors of the company and the wives, widows and families of the dependent or connection of such persons, by building or contributing to the building of houses, dwelling or by grants of moneys, pensions, gratuities, allowances, bonuses or other payments; or by creating and from time to time subscribing or contributing to provident fund and other funds, associations, institutions or trust and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance, as the board shall think fit.
- Welfare of employees.

### SECRETARY

99. The Board may from time to time appoint, and at its discretion subject to applicable provisions of the Act, if any, remove any person as the Secretary of the Company (hereinafter called "The Secretary") to perform such duties and function, which by the Act or otherwise are to be performed by the Secretary of the Company and to execute any other duties and functions, which may from time to time, be assigned to the secretary by the Board. A director may be appointed as secretary provided that any provision of the act or these presents requiring or authorising a thing to be done by or to a Director and the Secretary shall not be satisfied by its being done or to the same person acting both as Directors and as or in place of, the Secretary.
- Board may appoint Secretary.

### THE SEAL

100. The Board shall provide for a Common Seal for the purpose of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Board shall provide for the safe custody of the seal for the time being, and the seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- The Seal is Custody and use.
101. Subject to the provisions of the Act and these Articles, every deed or other instrument, to which the seal of the company is required to be affixed by the authority of the resolution of the Board or a committee of the Board, shall be signed by at least one director or official and shall be counter-signed by another director or official or the Secretary or some other person appointed by the Board for the purpose.
- Substituted by Special Resolution dated 20.7.1993.



## DIVIDENDS AND RESERVES

- |   |   |
|---|---|
| Division of profits.  | 102. The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the Members in proportion to the amount of capital paid up on the share held by them respectively. Provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared shall unless the Board otherwise determine, only entitle the holder of such share to a proportionate amount of such dividend as from the date of payment.  |
| Dividend to registered shareholders only.                                       | 103. No dividend shall be paid by the Company in respect of any share except to the registered holder of such share or to his order or to his banker.   |
| Reserves.   | <p>104. (1) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable 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 investment, other than shares of the Company, as the Board may, from time to time think fit.</p> <p style="padding-left: 40px;">(2) The Board may also carry forward any profit which it may think prudent not to divide, without setting them aside as a reserve.</p> |
| Notice of dividend.   | 105. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act and these Articles.  |
| Interest on Dividend<br>As amended by<br>special resolution<br>dated 28.7.1998. | <p>106. The Company will pay interest in case of default in payment of dividend on preference shares if the terms and conditions of issue of these shares so provide.</p> <p>No unclaimed dividend shall be forfeited by the Board and the Company shall comply with all the provisions of Section 205A in respect of unclaimed or unpaid dividend.</p>   |
| Loss of dividend warrants etc.  | 107. The Company may issue a duplicate cheque of dividend warrant or interest warrant on shareholder or holder of debenture furnishing such indemnity or otherwise as the Board may think proper.   |
| Declaration of Dividend.  | 108. The Company in General Meeting may declare a dividend to be paid to the Members according to their respective rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.  |
| Restrictions on amount of dividends.  | 109. No larger dividend shall be declared than is recommended by the Board, but the Company in General Meeting may declare a smaller dividend.  |

110. The Board may from time to time pay to the members such interim dividends as appear to the Board to be justified by the financial position of the Company. Declarations of Interim dividends.
111. Subject to the provisions of the Act and these Articles, no dividend shall be payable except in cash. Provided that nothing in this article shall be deemed to prohibit the capitalization of profits or reserves of the Company for the purposes of issuing fully paid up Bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company. Dividend to be paid in cash only.
112. Dividends may be paid by cheque or warrant or by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint holder to any one of them first named in the Register in respect of the joint holding or in case of registered shareholder having registered address outside India by telegraphic transfer to such bank as may be designated from time to time by such Members. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other person by any means whatsoever. Dividend how remitted
113. Any dividend due from the Company to a Member, may without the consent of such Member, be applied by the Company in or towards payment of any money due from time to time to the Company for calls. Adjustment of dividends due.

### CAPITALISATION

114. (1) Any General meeting may, upon the recommendation of the Board, resolve that, any moneys standing to the credit of the Share Premium Account or Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits of the Company (including profits or surplus moneys realised on sale of capital assets of the Company) standing to the credit fund or reserve of the Company or in the hands of the Company and available for dividend to be capitalised and distributed. Capitalisation.
- (a) By the issue and distribution, among the holders of the shares of the Company or any of them on the footing that they become entitled thereto as capital in accordance with their respective rights and in proportion to the amount paid or credited as paid thereon of paid up shares, bonds or other obligations of the Company; or
- (b) By crediting shares of the Company which may have been issued

and are not fully paid up, in proportion to the amount paid or credited as paid thereon respectively, with the whole or any part of the same remaining unpaid thereon.

- (2) The Board shall give effect to such resolution and apply such portion of the profits or Reserve Funds or any other fund as may be required for the purposes of making payments in full or in part for the shares, of the company so distributed or (as the case may be) for purposes of paying in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up provided that no such distribution or payment shall be made unless recommended by the Board and if so recommended, such distribution and payment shall be accepted by such shareholders in full satisfaction of their interest in the paid capitalised sum.
- (3) For the purpose of giving effect to any such resolution, the Board may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and generally may make such arrangements for the acceptance, allotment and sale of such shares, bonds or otherwise as they may think fit, and may make cash payment to any holders of shares, on the footing of the value so fixed in order to adjust rights and may vest any shares, bonds or other obligations in trustees upon such trust for adjusting such rights as may seem expedient to the Board.
- (4) In cases where some of the shares of the Company are fully paid and others are partly paid, only such capitalisation may be affected by the distribution of further shares in respect of the fully paid shares and by crediting the partly paid shares with the whole or part of the unpaid liability thereon, but so that as between the holders of the fully paid shares and the partly paid shares, the sum so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro-rata in proportion to the amounts then already paid or credited as paid on the existing fully paid and partly paid shares respectively.
- (5) Where deemed requisite, a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capitalised fund, such appointment shall be effective.

Distribution of the  
realisation of capital  
assets etc.

115. A General Meeting may resolve that any surplus money arising from the realisation of any capital assets of the Company or any investments representing the same or any other undistributed profits of the Company be distributed amongst the Members on the footing that they receive the same as capital.

### INSPECTION OF REGISTERS

116. (1) The Board shall, from time to time, determine whether and to what extent and at what time and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Director. Inspection by Members.
- (2) No member, not being a director, shall have any right of inspecting any accounts or books or documents of the Company except as conferred by law or authorised by the Board or by the Company in General Meeting.

### NOTICES AND DOCUMENTS

117. All notices of and other communications relating to any General Meeting of the Company or adjourned meeting as the case may be which any member of the Company or any other person is entitled to have sent to him shall also be forwarded to the Auditors of the Company, and each of the Auditors shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. Right of Auditor to attend General Meeting.
118. A notice may be served on the Company or an officer thereof by delivering it at its Registered Office or by sending it to the Company or officer at the Registered Office of the Company by registered post or cable confirmed by registered post. The term notice in these Articles shall include summons, notice, requisition, order or legal process and any document in relation to or in the winding up of the Company. Services of notices on Company
119. A notice may be served by the Company on any Member either personally or by sending it by post to him or to his registered address, or if he has no registered address in India to the address, if any, within India supplied by him to the Company for giving of notice to him. Services of notice on Members by Company
120. Notice of every General Meeting shall, in addition to the Members and Auditors of the Company in accordance with the provision of the Act, be given to Directors of the Company. Persons entitled to notice of General Meeting.
121. Any accidental omission to give notice to, or the non-receipt of notice by any Member or other person to whom it should be given shall not invalidate the proceedings at the meeting. Omission of notice not to invalidate proceedings.
122. A document advertised in a newspaper circulating in the neighborhood of the Registered Office of the Company shall be deemed to be fully served on the day on which the advertisement appears, on every Member of the Company who has no registered address in India and has not supplied to the Company an address within India for giving of notice to him. Service of documents by advertisement.

Where a document is sent by post, service thereof shall be deemed to be effected by properly addressing, repaying and posting a letter containing the document and to have been effected in the case of notice of a meeting at the expiration of 48 hours after the letter containing the same is posted and in any other case, the time at which the letter would be delivered in the ordinary course of post.

Service of  
document on legal  
representative

123. A document may be served by the company to the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name, or by the title or representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be entitled, or until such an address has been so supplied, by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Documents of  
notice by Company  
and signature  
thereto.

124. Any document or notice to be served or given by the Company may be signed by a Director or Secretary or some person duly authorised by the Board of Directors for such purposes and the signature thereto may be written, printed or lithographed or stamped.

Authentication of  
documents and  
proceedings.

125. Save as otherwise expressly provided in the Act, or in these Articles a document or proceeding requiring authentication by the Company may be signed by a Director, Chief Executive, the Secretary or a duly Authorised Officer of the Company and need not be under its Common seal.

Transferee etc.  
bound by prior  
notices.

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

Notice valid through  
Members deceased.

127. Subject to the provisions of Articles herein mentioned, any notice or document delivered or sent by post to or left at the registered address of any Member in pursuance of these Articles shall, notwithstanding such Member be then deceased and whether or not Company has notice of his demise, be deemed to have been duly served, in respect of any registered share, whether held solely or jointly with other persons by such Member, until some other person be registered instead as the holder or joint-holder thereof, and such service shall for all purposes of these presents be deemed a sufficient service of such notice of documents on his or her heirs, executors or administrators and all persons, if any jointly interested with him or her in any share.

Inspection of  
Registers etc.

128. Where under any provision of the Act, any person whether a Member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by the Company, the persons so entitled to inspection shall be permitted to inspect the same



during the hours of 11 a.m. to 1 p.m. on such business days, as the Act requires them to be open for inspection subject to such Rules and Regulations as the Board may prescribe from time to time in this behalf.

### **WINDING UP**

129. Subject to the provisions of the Act, and these Articles, if the Company shall be wound up and the assets available for distribution among the Members as such shall be distributed so that, as nearly as may be the losses shall be borne by the Members in proportion to the capital paid, or which ought to have been paid up, at the commencement of the winding up, on the shares, held by them respectively. And if in a winding up, the assets available for distribution among the Members shall be more than sufficient to repay the whole of capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital, at commencement of the winding up, paid up on the shares held by them respectively. This clause is, however, without prejudice to the right of the holders of shares issued upon preferential or special terms and conditions. Distribution of assets.
130. If the Company shall be wound up, whether voluntary or otherwise, the liquidator may, with the sanction of a special resolution, divide amongst the contributories, in specie or kind, the whole or any part of the assets of the Company, and may, with the like sanction, vest the whole or any part of the assets of the company in trustees upon such trust for the benefit of the contributories, or any of them as the liquidator, with the like sanction, shall think fit. Distribution in specie or kind.

### **SECRECY CLAUSE**

131. Every Director, Manager, Auditor, Trustee, member of Committee, Officer, Agents, Accountant or other Person employed in the business of the Company shall, if so required by the Board, before entering upon his duties, sign a declaration pledging himself or observe a strict secrecy regarding all transactions of the Company with the Customers and the state of accounts with individuals and in matters relating thereto, and shall by such declarations pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the board or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained. Secrecy.
132. Subject to Articles 118 and 131, no member or other person (other than a Director) shall be entitled, to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or require discovery of or any information respecting No shareholder to enter the premises of the Company without permission.

any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or communicate.

### INDEMNITY

Indemnity.

133. Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Act, in which relief is granted to him by the court.

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

Sl. No.	Names, address, description and occupation of each subscriber	Signature of Subscriber	Name, Address description and occupation of the witness
1.	V.K. Sharma S/o Sh. Siri Bhan House No. 510, Sector-8B Chandigarh 50 (Service)	Sd/-	<p>I witness the signatures and the particulars of the signatories to the Articles appearing at Sl. Nos. 1 to 2</p> <p>Sd/- (V.P. AGARWAL) S/o Late Sh. Mitra Sain 126-A, Pocket 'A' DDA Flats Sukh Dev Vihar, New Delhi - 110 025 (Service)</p>
2.	V.K. Madan S/o Sh. R.D. Madan A-4, Greater Kailash Encl.II Opp. Savitri Cinema, Savitri Marg, New Delhi-48 (Service)	Sd/-	

Dated : 27-1-89

Place : New Delhi



## IN THE HIGH COURT OF DELHI

Suit No.C.P. No. 5 of 1990

Appeal No. of  
Revision Application

from

Original  
Appellate

Decree  
Order

No.

Date of Decision: April 16, 1990

In the matter of DCM Engineering Industries Ltd. Through Mr. Krishan Kumar with Mr. Nalin Talwar, Advocates

Versus

Coram:

The Hon'ble Mr. Justice MAHESH CHANDRA

The Hon'ble Mr. Justice

1. Whether Reporters of local papers may be allowed to see the judgement?
2. To be referred to the Reporter or not?
3. Whether their Lordships wish to see the fair copy of the judgment?

### MAHESH CHANDRA, J.

An application No. 7553 of 1989 was filed on 18th October, 1989 by the petitioner under Section 391 (1) of the Companies Act, 1956 seeking directions to hold meetings of its shareholders and creditors for approving with or without modification, the Scheme of Arrangement, proposed to be entered into between DCM Engineering Industries Ltd., the petitioner company, and DCM Shriram Industries Ltd., DCM Ltd., and Rath Foods Ltd. and their respective shareholders. By an order made on 27th October, 1989 S.N. Sapra, J. directed to convene separate meetings of its equity shareholders, secured creditors (including debenture holders) and unsecured creditors (including fixed deposit holders) for the purpose of considering and if thought fit, approving with or without modifications, the Scheme of Arrangement proposed to be made between the petitioner company and DCM Shriram Industries Ltd., DCM Ltd. and Rath Foods Ltd. annexed as Annexure 'F' to the affidavit of Shri Ajay Shri Ram son of Shri Dhar, a Director of the petitioner company. Shri K.N. Kataria, Advocate was appointed Chairman for the aforesaid meetings, Notice of this application was also sent to Central government through Regional Director, Company Law Board, Kanpur.

Notice of the meetings as approved by this court are stated to have been sent to equity shareholders, secured creditors (including debenture holders) and unsecured creditors (including fixed deposit holders) together with a copy of the Scheme of Arrangement, the Explanatory Statement as required by Section 393 of the Companies Act, 1956 and a Form of Proxy. The notice of the meeting was also advertised in the 'Statesman' English Edition on 23rd November, 1989 and 'Hindustan' Hindi edition on 23rd November, 1989 in accordance with the direction of the court and paper citations are on record. An affidavit of Shri Ajay Shri Ram has been filed on 8th December, 1989 showing publication and despatch of the notices and convening the said meetings.



Shri K.N. Kataria, Advocate who was appointed as Chairman of these meetings, has filed his reports of the said meetings on 8th January, 1990 and it appears from the said reports that the proposed Scheme of Arrangement has been approved without any modification in all the aforesaid meetings by an overwhelming majority.

It was then that on 10th January, 1990 the petitioner company filed this C.P. No.5 of 1990 under Section 391 (2) read with Section 394 of the Companies Act, 1956 praying for the confirmation of the Scheme of Arrangement. Notices of the petition were also given to Central Government through Regional Director, Company Law Board, Kanpur and Official liquidator, New Delhi. Notice of hearing of petition was also directed to be published in 'The Statesman' and 'Hindustan' for the information of general public. The notice of hearing was published in 'The Statesman' English edition and 'Hindustan' Hindi edition of 3rd February, 1990. The official liquidator has filed his report on 8th March, 1990 stating that as no company is going to be dissolved as per the terms of the Scheme of Arrangement, he has no comments to offer in regard to the same and the Scheme may be approved. Regional director, Company Law Board, Kanpur has also filed his report on 21st March, 1990 stating inter alia that the Scheme of Arrangement is not prejudicial to the interest of shareholders, creditors of petitioner company and the companies to the Scheme and that the Scheme is in public interest. The interests of creditors and workers have been specifically safeguarded and provided for.

I have heard the learned counsel for the petitioner and have gone through the file and report of the Chairman. Considering the report of the Central government and official liquidator and my observations above, I do not find anything on record to suggest that the Scheme of Arrangement should not be sanctioned. As such the court hereby sanctions the Scheme of Arrangement set forth in para 8 of the petition herein and annexed as 'E' to the petition and do hereby declare the same to be binding on all the equity shareholders, secured creditors (including debenture holders) and unsecured creditors (including Fixed deposit holders) of the petitioner company and on the petitioner Company as well as other company to the Scheme of Arrangement namely, DCM Shriram Industries Ltd., DCM Ltd. and Rath Foods Ltd. and their respective shareholders. It is placed on record that the name of the petitioner company and Rath Foods Ltd. have since been changed to DCM Industries Ltd. and Shriram Industrial Enterprises Ltd. respectively. An undertaking dated 19th December 1989 given by the petitioner as well as by other companies to the Scheme of Arrangement in favour of banks is also taken on record. The Scheme of Arrangement is sanctioned.

It is, therefore, directed that the parties to the Scheme of Arrangement shall be at liberty to apply to this court for any directions that may be necessary in regard to the working of the Scheme of Arrangement.

The petitioner company is further directed to file with Registrar of Companies a certified copy of this order within 14 days from this date together with scheme.

The Scheme of Arrangement as approved and confirmed by this court will be effective from 1st April, 1990 which would be the 'Effective date' in terms of the Scheme.

Registry is directed to draw the formal order in accordance with the aforesaid directions.

The Scheme of Arrangement as (Annexure 'E') shall be read as part of this order.

April 16, 1990

Sd/-  
Mahesh Chandra  
Judge

IN THE HIGH COURT OF DELHI AT NEW DELHI  
 (ORIGINAL JURISDICTION)  
 IN THE MATTER OF COMPANIES ACT, 1956  
 AND  
 IN THE MATTER OF:

1. DCM LTD.  
AND
2. DCM SHRIRAM INDUSTRIES LIMITED
3. DCM INDUSTRIES LIMITED  
(Formerly known as Ms DCM ENGINEERING INDUSTRIES LTD.)
4. SHRIRAM INDUSTRIAL ENTERPRISES LTD.  
(Formerly known as M/S RATH FOODS LTD.)

COMPANY PETITION NO.3 OF 1990

CONNECTED WITH

COMPANY APPLICATION NO. 7552 OF 1989

DCM SHRIRAM INDUSTRIES LIMITED  
 having its registered office at  
 Kanchanjunga Building, 18,  
 Barakhamba Road  
 New Delhi-110001

..... PETITIONER

COMPANY PETITION NO.4 OF 1990

CONNECTED WITH

COMPANY APPLICATION NO. 7551 OF 1989

DCM LIMITED  
 having its registered office at  
 Kanchanjunga Building, 18,  
 Barakhamba Road  
 New Delhi-110001

..... PETITIONER

## COMPANY PETITION NO. 5 OF 1990

CONNECTED WITH

COMPANY APPLICATION NO. 7553 OF 1989

DCM INDUSTRIES LIMITED  
 (Formerly known as DCM ENGINEERING INDUSTRIES LTD.)  
 having its registered office at  
 Kanchanjunga Building, 18,  
 Barakhamba Road  
 New Delhi- 110001

..... PETITIONER

Company PETITION NO. 6 OF 1990

CONNECTED WITH

COMPANY APPLICATION NO. 7554 OF 1989

SHRIRAM INDUSTRIAL ENTERPRISES LIMITED  
 (Formerly known as Rath Foods Limited)  
 having its registered office at  
 Kanchanjunga Building, 18,  
 Barakhamba Road,  
 New Delhi-110001

..... PETITIONER

BEFORE THE HON'BLE MR. JUSTICE MAHESH CHANDRA

DATED THE 16TH DAY OF APRIL, 1990

**ORDER ON PETITION**

The above petitions coming on for hearing on 16th day of April, 1990, upon reading the said petitions, the order date 27.10.1989 whereby the petitioner companies were ordered to convene separate meetings of the Equity Shareholders of all the petitioner companies, preferential shareholders of DCM Shriram Industries Limited, DCM Industries Limited (formerly known as DCM Engineering Industries Limited) and Shriram Industrial Enterprises Limited (formerly known as Rath Foods Limited) and secured and unsecured creditors of DCM Limited, for the purpose of considering and if though fit, approving, with or without modification, the Scheme of Arrangement proposed to be made between the aforesaid companies and their respective shareholders and annexed to the affidavits of Shri Bansi Dhar in C.A.No. 7552/89, Shri V.P. Agarwal in C.A. No. 7551/89, Shri Ajay Shri Ram in C.A. No. 7553/89, Shri V.P. Agarwal in C.A. No. 7554/89 filed on 18th October, 1989, and upon perusing the advertisement in the 'National herald', 'Veer Arjun', 'Hindustan Times', The Statesman' and 'Hindustan' dated 23rd November, 1989 'Navbharat Times' Punjab Kesari' and the Tribune dated 24th November, 1989 each containing the advertisements of the said notices convening the said meetings directed to be held by the said order dated 27th day of October, 1989, the affidavits of Shri Bansi Dhar in C.A.No. 7552/89 and Shri V.P. Agarwal in C.A.No. 7551/89, Shri Ajay Shriram in C.A.No. 7553/89 and Shri V.P. Agarwal in C.A.No.7554/89 all dated 7th December, 1989 showing

the publication and despatch of notices convening the said meetings, the reports of Shri Ashok Bhasin, Chairman of the said meetings in C.A.No.7552/89, dated 28.12.1989, Shri Arun Kumar, Chairman of the said meetings in C.A.No. 7551/89, dated 23.12.1989, Shri K.N. Kataria, Chairman of the said meetings in C.A. No.7553/89 and Sh. S.S.Chaman, Chairman of the said meeting in C.A.No.7554/89, dated 28th December, 1989 as to the result of the said meetings, and upon hearing Shri Krishan Kumar, Advocate with Mr. Nalin Talwar, Advocate for the petitioner companies, and upon considering the representation filed by the Regional Director (Northern Region), Company Law Board, Kanpur, stating that the same is not prejudicial to the interest of members, Shareholders and creditors of the above mentioned companies and is in public interest and the Central Government not having any objection to the Scheme being approved and it appearing from the reports of all the four chairman of the meetings that the proposed scheme of arrangement has been approved unanimously by the Equity Shareholders and preferential Shareholders of M/s DCM Shriram Industries Limited, M/s. DCM Industries Limited (formerly known as DCM Engineering Industries Limited) and M/s Shriram Industrial Enterprises Limited (formerly known as Rath Foods Limited) and by overwhelming majority of equity shareholders and secured and unsecured creditors of M/s. DCM Limited, present and voting in person or by proxy.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT set forth in pars 8 of the petitions and Schedule 1 hereto and DOTH HEREBY DECLARE the same to be binding on all the equity shareholders, secured creditors (including debenture holders) and unsecured creditors (including fixed deposit holders) of the petitioner companies and on the petitioner companies mentioned above and their respective shareholders.

#### AND THIS COURT DOTH FURTHER ORDER :-

- 1) That all the property, assets movable or immovable, including all plants and machineries, rights and powers together with all present and future liabilities including contingent liabilities and obligations of the various undertakings of the transferor Company (DCM Limited) be transferred without further act or deed to the Transferee Companies namely DCM Shriram industries Ltd., DCM Industries Ltd. (formerly known as DCM Engineering Industries Limited) and Shriram Industrial Enterprises Limited (formerly known as Rath Foods Limited) as per the said scheme of arrangement and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956 be transferred to and vest in the Transferee Companies for all the estate and interest of the Transferor company therein but subject nevertheless to all charges now affecting the same including those specified in the first, second and third parts of the Schedule 11 hereto.
- 2) That all the liabilities and duties of the Transferor company be transferred without further act or deed to the respective transferee companies as per the said scheme of arrangement and accordingly the same shall, pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the respective companies; and
- 3) That all proceedings now pending by or against the transferor company be continued by or against the respective transferee companies; and
- 4) That the transferee companies do without further application, act or deed, issue and allow to

every member of transferor company (DCM Limited) holding equity shares in transferor company (DCM Limited) on a day to be fixed by the Board of the transferor company (DCM Limited) One equity share in each of the three transferee companies of Rs. 10/- each credited as fully paid up for every four equity shares of Rs. 10/- each fully paid up held by such member in the transferor company (DCM Limited) as per the scheme of arrangement.

- 5) That the petitioner companies do within 14 days from the date of this order cause a certified copy of this order together with the scheme to be delivered to the Registrar of Companies for Registration.
- 6) That the parties to the schemes of arrangement shall be at liberty to apply to the Court in the above matter for any directions that may be necessary in regard to the working of Scheme of Arrangement.
- 7) The Scheme of Arrangement, as approved and confirmed by this court, will be effective from 1st day of April, 1990 which would be the 'Effective date' in terms of the Scheme.



IN THE HIGH COURT OF DELHI AT NEW DELHI  
 (ORIGINAL JURISDICTION)  
 IN THE MATTER OF THE COMPANIES ACT, 1956  
 AND  
 IN THE MATTER OF SCHEME OF ARRANGEMENT  
 BETWEEN  
 COMPANY PETITION NO. 332/2001  
 CONNECTED WITH  
 COMPANY APPLICATION NO. 1220 /2001

IN THE MATTER OF

M/S DCM Shriram Consolidated Ltd.,  
 having its registered office at 6th floor,  
 Kanchenjunga Building, 18, Barakhamba Road,  
 New Delhi-110 001.

..... Petitioner  
 Transferor company

AND

IN THE MATTER OF

M/S DCM Shriram Exports Ltd.,  
 having its registered office at  
 6<sup>th</sup> floor, Kanchenjunga Building, 18,  
 Barakhamba Road, New Delhi-110001

..... Petitioner  
 Transferee company

BEFORE THE HON'BLE MR. JUSTICE MADAN B. LOKUR  
DATED THIS 27TH DAY OF NOVEMBER, 2001 AND  
10 TH DAY OF DECEMBER, 2001.

#### ORDER ON PETITION

The above petition coming on for hearing on 27.11.2001 and 10. 12.2001 for sanction of the scheme of Arrangement proposed to be made between M/s DCM Shriram Consolidated Ltd., (hereinafter referred to as transferor company) and M/s DCM Shriram Exports Ltd., (hereinafter referred to as the transferee company), upon reading the said petition, the order dated 13.8.2001 whereby the requirement of the meeting of creditors of the transferee Company was dispensed with since the said company had no creditors and the transferor Company was ordered to convene the meetings of its share holders, secured creditors and unsecured creditors and transferee company was ordered to convene meetings of its equity shareholders and preference shareholders for the purpose of considering and if thought fit, approving with or without modification, the scheme of Arrangement annexed to the affidavits of Shri V. P. Agarwal and Sh. B.L. Sachdeva filed on 6<sup>th</sup> day of August, 2001 and the 4<sup>th</sup> day of October, 2001 and the newspapers namely (1) Business Standard (English) (2) Nav Bharat Times (Hindi) both dated 27.8.2001 and 7.11.2001 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated 13.8.2001, the affidavit of Sh. Arvind Nayyar, Adv., filed on 10.9.2001 showing the publication and despatch of the notices convening the said meetings, the reports of Chairman of the said meetings as to the result of the said meeting and upon hearing Ms. Kumkurn Sen

with Mr. Avimukt Dar, Advocates for the petitioner Companies and it appearing from the reports that the proposed scheme of arrangement has been approved by the requisite majority without any modification by the said shareholders, secured and unsecured creditors of the transferor company and equity and preference shareholders of transferee Company present and voting either in person or by proxy and upon reading the affidavit dated 23.11.2001 of Sh. L.M. Gupta Regional Director, Northern Region, Department of Company Affairs, Kanpur on behalf of Central Government stating that he has no objection to the proposed scheme of arrangement and there being no investigation proceedings pending in relation to petitioner companies under Sections 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT

setforth in Schedule -I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and secured & unsecured creditors of the Transferor Company and Transferee Company and all concerned and doth approve the said scheme of arrangement to be effective from the appointed date i.e. 01.07.2001.

1. That the Transferor Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration.
2. That the parties to the arrangement or other persons interested shall be at liberty to apply to the Court in above matter for any direction that may be necessary in regard to the working of the arrangement.

SCHEDULE-1  
SCHEME OF ARRANGEMENT  
SANCTIONED BY THIS COURT  
BETWEEN  
DCM SHRIRAM CONSOLIDATED LIMITED (DSCL)  
AND  
DCM SHRIRAM EXPORTS LIMITED (DS-EXP)  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

**PREAMBLE**

Whereas DCM Shriram Consolidated Limited (DSCL) is a company registered under the Companies Act, 1956, having its Registered office at 6<sup>th</sup> floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi- 110001

And Whereas DSCL is engaged in several businesses including Fertilisers, Chemicals, Plastics, Power, Cement, Textiles and merchandising, many of these businesses being manufacture and /or sale of commodities. And Whereas DSCL has also been engaged in Value Added Polymer Processing Business involving providing customised solutions for various end uses based on self produced Polymers.

And Whereas DSCL has achieved substantial growth in this Polymer Processing Business through several steps taken over the last few years. Also DSCL expects that polymers consumption in a developing country like India will grow at a faster rate in future keeping in view the growth in GDP, substitution of other fibers by polymers and rise in incomes and development levels. This will open up very attractive opportunities in Polymer Processing Business and also in existing and newer applications of polymers in several end products. DSCL, therefore, expects the Polymer Processing Business to achieve substantially higher growth in future through greater focus, induction of suitable technology in existing areas as well as in newer applications and product diversification.

And Whereas DSCL has been carrying on discussions with several leading polymer processors in the world for accessing suitable technology and market/product development expertise for growing this business as per its potential.

And Whereas DSCL considers it desirable to separate Polymer Processing Business from the other businesses in order to provide it greater focus, resources and thrust and also enable induction of technology and market/product development expertise from leading polymer processors and manufacturers of end-products overseas.

And Whereas DSCL has made DCM Shriram Exports limited (DS-Exp.) as its subsidiary in order to transfer its Polymer Processing Business to DS-Exp. DS-Exp. is also taking steps to change its name to Shriram Polymers Ltd. or such other name as may be approved by the Registrar of Companies, NCT of Delhi & Haryana (hereinafter referred to as the Registrar of Companies).

And Whereas it is the earnest expectation of the Board of Directors of both the companies that the proposed arrangements would result in generation of greater business opportunities, high profits and surpluses and would thereby be in the best interest of the shareholders, creditors, employees of both the companies and would also be in the public interest.

And Whereas DSCL has arrived at an arrangement to hive off its Polymer Processing Business as a going concern basis to DS-Exp. and both DSCL and DS-Exp. have decided to make the requisite application before the Hon'ble High Court at Delhi under Sections 391 and 394 of the Companies Act, 1956 for sanction of the Scheme of Arrangement given hereunder:

## **PART-1**

### **1. Definitions:**

1.1 In this Scheme unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- (i) "The Act" means the Companies Act, 1956.
- (ii) "The Appointed Date" means 1<sup>st</sup> day of July, 2001.
- (iii) "Effective Date" means the Date on which the last of the approvals or sanctions specified in the Scheme shall have been obtained and certified copies of the orders of the High Court of Delhi have been filed with the Registrar of Companies, as required under the provisions of the Companies Act, 1956.
- (iv) "The Transferor Company" means DCM Shriram Consolidated Limited (DSCL), a Company incorporated under the Companies Act, 1956 as DCM Engineering Industries Private Limited on 6<sup>th</sup> February, 1989 with the Registrar of Companies. The name of the Company was changed to DCM Industries Limited and a fresh Certificate of Incorporation consequent upon change of name of the company was issued on 1<sup>st</sup> March, 1990. The Transferor Company again changed its name to the present name and a fresh Certificate of Incorporation consequent upon change of name was issued on 20<sup>th</sup> July, 1990. The Transferor Company is having its Registered Office at 6<sup>th</sup> floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi- 110001.
- (v) "The Transferee Company" means DCM Shriram Exports Limited (DS-Exp.), a Company incorporated under the Companies Act, 1956 with the Registrar of Companies, on 29<sup>th</sup> November, 1990. It obtained Certificate of Commencement of Business on 27<sup>th</sup> February, 1992. The Transferee Company is having its Registered Office at 6<sup>th</sup> floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi- 110001.

- (vi) "Polymer Processing Business" means the entire polymer processing business (including formulations, colour concentrates, master batches, compounding, Innovative Plastics Application Centre i.e. i-PAC, etc) of DSCL (including but not restricted to the, undertaking of Polymer Processing facilities of DSCL situated at Shriram Fertilisers & Chemicals, Kota, Rajasthan) and shall mean and include :-
- (a) All properties and assets, movable and immovable, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent or of whatsoever nature, where-so-ever situated, as on the Appointed Date along with land and buildings (as detailed in Schedule -1), plant and machinery, capital work in progress, vehicles, equipments, furniture and fittings, , sundry debtors, investments, inventories, cash and bank balances, bills of exchange, deposits, loans and advances etc.of Polymer Processing Business of DSCL as at 30th June, 2001 as have been identified in the Audited Balance Sheet (enclosed as Schedule-II) of this business as on the aforesaid date and collectively called Polymer Processing Business Assets.
  - (b) All leases or parts thereof, tenancy rights and agency of DSCL pertaining to the Polymer Processing Business and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges, privileges, benefits, entitlements, industrial and other licences (and /or conditions attached thereto), registrations, quotas, trademarks, patents, copyrights, brand names, import quotas, telephones, telexes, facsimile, other communication facilities and equipments, electricity and other such connections, rights and benefits of all agreements and allotments held by or applied for by DSCL after the Appointed Date and pertaining to the Polymer Processing Business and /or to which DSCL is entitled to in respect of the said Polymer Processing Business of whatsoever kind, nature or description held, applied for or may be obtained thereafter or to which DSCL is entitled to in respect of the Polymer-Processing Business together with the benefit of all contracts and engagements and all books, papers, documents and records, related to the said Polymer Processing Business and all rights, obligations, benefits available under any rules, regulations, statutes including direct and indirect taxes and particularly sales tax benefits/exemptions, electricity duty benefits, modvat benefits, import and export benefits and custom duty benefits.
  - (c) All debts, liabilities, loans and obligations, provisions, deposits present and future, contingent or whatsoever nature, relating to Polymer Processing Business of DSCL as at 30th June, 2001 as have been identified in the Audited Balance Sheet of this Business as on the aforesaid date and collectively called Polymer Processing Business Liabilities.
  - (d) All permanent employees of DSCL engaged in or in relation to and required in the opinion of DSCL's management for the Polymer Processing Business at the factory, branches, other offices and also such other employees as may be specified by the management of DSCL.
  - (e) All earnest monies and/or security deposits paid by DSCL in connection with or relating to the Polymer Processing Business.



## 2. Share capital

2.1 The Authorised, Issued, Subscribed and Paid up Share Capital of the Transferor Company on 30<sup>th</sup>, June, 2001 is as under:

<u>Share Capital</u>	<u>Rs. /Lacs</u>	<u>Rs. / Lacs</u>
<b>Authorised</b>		
4,00,00,000 Equity Shares of Rs. 10/- each	4,000.00	
65,00,000 Preference Shares of Rs. 100/- each	<u>6,500.00</u>	10,500.00
<b>Issued, Subscribed and paid up</b>		
1,73,70,332 Equity Shares of Rs. 10/- each	1,737.03	
Fully called-up		
Less: Calls unpaid	<u>62.40</u>	1,674.63

2.2 The Authorised Share Capital of the Transferee Company on 30<sup>th</sup> June, 2001 is Rs. 6,00,00,000 (Rupees Six Crores) divided into 59,90,000 Equity shares of Rs. 10/- each and 1,000 12% Redeemable Cumulative Preference Shares of Rs. 100/-each and the Issued, Subscribed and Paid up Share Capital of the Company is Rs.5,00,770 divided into 50,007 fully paid up Equity Shares of Rs.10/- each and 7 (Seven) fully paid up 12% Redeemable Cumulative Preference Shares of Rs. 100/-each. The Transferor Company holds 45,500 equity shares of the Transferee Company as on 30<sup>th</sup>, June, 2001. The shareholding pattern of Transferee Company on the Scheme coming into effect would be as follows:

### Distribution of Shareholding after approval of the Scheme of Arrangement

Sl. No.	Name of Share holder	No. of Equity Shares	% of total shareholding
1.	DCM Shriram Consolidated Ltd.	20,45,500	99.780
2.	Shri Ajay S. Shriram	1,126	0.055
3.	Shri Vikram S. Shriram	1,126	0.055
4.	Shri Ajit S. Shriram	1,126	0.055
5.	Shri Rajiv Sinha	1,125	0.055
6.	Shri V.P Agarwal	1	-
7.	Shri S.D Omchary	1	-
8.	Shri Man Mohan	1	-
9.	Shri Satya Nand	1	-
	Total	20,50,007	100.00

## PART-II

### The Scheme

1. With effect from the Appointed Date, all the properties, estates and interests of DSCL in the Polymer Processing Business in its entirety (including but not restricted to all Polymer Processing Business assets, liabilities, rights, licences, benefits, obligations etc.) shall pursuant to Section 394 (2) of the Act and without any further act or deed be transferred to or vested in or be deemed to have been transferred to and vested in DSExp. on a going concern and slump sale basis, free of all charges created /existing in favour of banks and / or financial institutions and /or other lenders.
2. All the movable assets of the Transferor Company pertaining to its Polymer Processing Business shall be physically handed over by delivery to the Transferee Company to the end and intent that the property therein is deemed to pass to the Transferee Company on the Appointed Date.
3. It is also clarified that all Polymer Processing Business Liabilities including all debts, liabilities, obligations of Polymer Processing Business as on Appointed Date shall be the debts, liabilities, obligations of DS-Exp. and DS-Exp. undertakes to meet, discharge and satisfy the same and keep DSCL indemnified against all costs, losses, etc., in future in respect of such debts, liabilities and obligations.
4. DSCL shall provide to DS- Exp., an exclusive license, without rights to sub-license, for all technology owned and possessed by DSCL with respect to Polymer Processing Business for use in India, Bangladesh, Bhutan, Nepal, Sri Lanka and Maldives. Such technology will include commercial recipes, manufacturing data sheet forms, testing, quality approval procedures etc. and all other know-how required for Polymer Processing Business.
5. DSCL will license to DS-Exp., DSCL's brand and trademarks associated with Polymer Processing Business on an exclusive basis for use in India, Bangladesh, Bhutan, Nepal, Sri Lanka and Maldives. DS-Exp. will accept registered user status under all such brand and trademarks pursuant to usual and customary registered user agreements and all use of such brand and trademarks will inure to the licensor.
6. DSCL undertakes that on and from the Appointed Date, it shall provide DS-Exp. free right of way at its factory at Kota for all materials, employees and for any other use or purposes as may be required by DS-Exp. free of any charge.
7. DSCL will, with a view to optimise the cost structure of DS-Exp. and to remove costs arising from separation /duplication of facilities, provide DS-Exp. at its factory at Kota, common services and utilities such as power, water, steam etc. as may be mutually agreed and on terms & conditions agreed by both.

8. (i) DS-Exp. undertakes to engage, on and from the Appointed Date, all permanent employees of DSCL engaged in the Polymer Processing Business (as identified as per clause 1. 1 (vi)(d) of Part-1) on the terms & conditions which in all circumstances protect at the minimum, the terms & conditions at which these employees are engaged as on the Appointed Date by DSCL without any interruption of service as a result of the transfer. DS-Exp. also undertakes to accept and abide by any change in terms & conditions that may be agreed/ effected by DSCL between Appointed and Effective Date.
- (ii) DS-Exp. undertakes to continue to abide by any of the agreement/settlement etc. entered into by DSCL in respect of Polymer Processing Business with any union of DSCL. DS-Exp. agrees that the service of all such employees with DSCL upto the Appointed Date shall be taken into account for the purpose of all retirement benefits to which they may be eligible in DSCL upto the Appointed Date. DS-Exp. further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past service with DSCL shall also be taken into the account and agrees and undertakes to pay the same as and when payable.
- (iii) The existing Provident Fund Trusts and Pension Fund Trust created by DSCL for its employees shall be continued for the benefit of employees of Polymer Processing Business also after the Appointed Date on the same terms & conditions and with effect from such date DS-Exp. shall make the necessary contributions for such employees taken over by DS-Exp. until DS-Exp. constitutes its own Provident Fund and Pension Fund Trusts and obtains necessary approval for the same..
9. Subject to the other provisions contained in this Scheme, all contracts, deeds, bonds agreements and other instruments of whatever nature relating to the Polymer Processing Business to which DSCL is a party, subsisting or having effect immediately before the Appointed Date shall remain in full force and effect against or in favour of DS-Exp. and may be enforced as fully and effectively as if instead of DSCL, DS-Exp.had been a party thereto.
10. All incomes, receipts and gains of whatsoever nature and all expenses, payments and losses of whatsoever nature relating to the Polymer Processing Business not accounted for or disclosed in the books of DSCL as on the Appointed Date but pertaining to the period up to the Appointed Date shall be to the account of DSCL and any monies received or payments made or any income or expense accrued or any gains made or losses incurred by DS-Exp. in relation to such items shall be paid to or recovered from DSCL as the case may be. All continuing gains/ losses, income/cxpenses, receipts/ payments relating to Polymer Processing Business in respect of the period on and after the Appointed Date shall accrue to DS-Exp. only.

11. All legal or other proceedings by or against DSCL under any statute or otherwise relating to Polymer Processing Business in respect of the period upto Appointed Date, whether pending on that date or instituted in future shall be continued and enforced by or against DSCL only. If proceedings are taken against DS-Exp., it will defend the same as per the advice of and at the cost of DSCL only.
12. The Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute Deeds of Confirmation in favour of the Secured Creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliances referred to above on the part of the Transferor Company.
13. With effect from the Appointed Date and upto and including Effective Date :-
  - (a) DSCL shall carry out and be deemed to have been carrying on all businesses and activities relating to the Polymer Processing Business and stand possessed of the properties so to be vested in DS-Exp. for and on account of and in trust for DS-Exp.
  - (b) All profits accruing to DSCL or losses arising or incurred by it relating to Polymer Processing Business shall for all purposes, be treated as the profits or losses, as the case may be of DS-Exp.
  - (c) All assets, properties, licences, rights, title, technical know-how relating to Polymer Processing Business acquired during this period, shall be the property of and be vested in DS-Exp. Similarly, all liabilities, obligations, duties relating to Polymer Processing Business shall be assumed by DS-Exp.
  - (d) The vesting of all of the assets and liabilities of the Polymer Processing Business hereunder and the continuance of the proceedings by or against DS-Exp. pursuant hereto shall not affect any transaction or proceeding already completed by DSCL on and after the Appointed Date to the end and intent that DS-Exp. accepts all acts, deeds and things done and executed by and / or on behalf of DSCL as acts, deeds and things done and executed by and on behalf of DS-Exp.



14. The value of Polymer Processing Business including licencing of all technology and trademarks and other rights/obligations etc. being transferred to DS-Exp. has been arrived at Rs. 43.50 Crs. based on the business valuation of Polymer Processing Business carried out by M/s Price Waterhouse, Chartered Accountants and accepted by the Board of Directors of both the companies. DS-Exp. agrees to discharge the payment of this total amount of Rs. 43.50 Crs. to DSCL in the following manner:-
  - (a) Rs. 33.50 Crs. would be paid within one year from the date of the scheme becoming effective. This amount will be treated as unsecured loan till it is repaid and will carry interest @ 15% p.a.
  - (b) Issue and allot 20,00,000 equity shares of Rs. 10/- each fully paid up at a premium of Rs.40/- per share upon the scheme becoming effective as specified under this arrangement and upon the transfer of Polymer Processing Business of DSCL to DS-Exp. Such shares shall be issued on a record date to be decided by the Board of Directors of DS-Exp. after the scheme becomes effective. Such shares shall rank pari-passu with the shares already issued by DS-Exp.
15. Save and except Polymer Processing Business of DSCL and as expressly provided in this Scheme of Arrangement, nothing contained in this Scheme of Arrangement shall affect the rest of the assets, liabilities and businesses of DSCL which shall continue to belong to and be vested in and be managed by DSCL. Similarly, no change or reduction is envisaged in the share capital of DSCL consequent to this Scheme of Arrangement.

### Part-III

1. DSCL and DS-Exp. shall make necessary applications before the Hon'ble High Court of Delhi for the sanction of this Scheme of Arrangement.
2. The Books Of account of DS-Exp. as on the Appointed Date would incorporate the above arrangement on the basis of purchase consideration indicated in clause 14 of Part-II above and the break up values of assets, liabilities, intangibles determined based on the valuation of fixed assets and intangibles carried out by M/s Price Waterhouse, Chartered Accountants and accepted by the Board of Directors of DS-Exp. The Reference Balance Sheet of DS-Exp. on the 30<sup>th</sup> June, 2001 (prior to incorporation of the above arrangement) and on the Appointed Date after incorporating the above arrangements is enclosed as Schedule-III.
3. Pursuant to this scheme, subject to approval of the Registrar of Companies, name of DS-Exp. shall be changed to Shriram Polymers Limited or such other name as may be approved by the Registrar of Companies. DS-Exp. will comply with necessary requirements in this regard.



4. DSCL and DS-Exp. (through their respective Board of Directors) and in their full and absolute direction, may assent to any alteration or modification to this Scheme which the Court and /or shareholders of respective companies and/or any other Authority may deem fit to approve or impose or that the two companies may otherwise consider necessary or expedient (including the terms and conditions of the loan) and may further give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme in any manner connected therewith.
5. The Board of Directors of DSCL and /or DS-Exp. shall be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any Authority is unacceptable to them.
6. All costs, charges, taxes, including duties, levies and fees and all other expenses, if any, arising out of or incurred in carrying out and implementing the terms and conditions or provisions of this Scheme and incidental thereto shall be borne by DSCL, being cost of transfer.
7. The Scheme will become effective on the receipt of last of the following :
  - (a) Approval of the requisite majority of the members and creditors of the Transferor Company and the members and creditors of the Transferee Company.
  - (b) Sanction by the Hon'ble High Court of Delhi as provided in Section 391 and other applicable provisions of the Act.
  - (c) Any requisite consent, approval or permission of the Central Government or any other authority, which by law or otherwise may be necessary for the implementation of this Scheme and when the certified copies of the order of the Hon'ble High Court of Delhi have been filed with the Registrar of Companies under the Provisions of the Act.
8. In the event of this Scheme failing to take effect finally, this scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person and all incomes, profits, costs, charges and expenses or loss of Polymer Processing Business with effect from the Appointed Date shall continue to be to the account of DSCL.
9. In the event of non- fulfillment of any obligations under the Scheme, inter-se or to the third parties and non- performance of which will put the other company under any obligation, then such company will indemnify all costs, interests and charges to the other company.

10. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and /or any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred under the Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to the sole arbitration of Shri Ajay S. Shriram or Dr. S.S. Baijal as may be mutually agreed by Board of Directors of both the Companies , whose decision shall be final and binding.

## SCHEDULE I

### Description of Land and Building

#### A. Land

Description	Land situated at village Kansua, District Kota (Rajasthan) in Khasra number 302 (Old Khasra number 207).
Title Deed Dated	03.01.1964
Registration number & Date	47 dated 20.01.1964
Area	11,820.27 sqm
Book value as on 30 <sup>th</sup> June, 2001	Rs. 3,593/-

#### B. Buildings

Description	Buildings and roads situated on the abovementioned land
Book value as on 30 <sup>th</sup> June, 2001	Rs. 73,32,546/- (Written-down value)

## SCHEDULE II

## DCM SHRIRAM CONSOLIDATED LIMITED

POLYMER PROCESSING BUSINESSINDICATIVE REFERENCE BALANCE SHEET AS AT JUNE 30, 2001 / JULY 1, 2001SCHEDULE AS AT JUNE 30, 2001/  
JULY 1, 2001

Rs.

**Sources of Funds**

Funds from Head Office

On current account 121,416,054

Total Funds employed 121,416,054

**Application of Funds**

Fixed assets 1 45,396,900

Current assets, loans and advances 2

Inventories 33,120,690

Sundry debtors 86,122,963

Loans and advances 1,568,452

120,812,105

Less: Current liabilities and provisions 3

Current liabilities 40,883,123

Provisions 3,909,828

Net current assets 76,019,154

Total funds utilised 121,416,054

**Note:** This indicative reference balance sheet as at June 30/July 1, 2001 has been prepared from the audited balance sheet of the business as at June 30, 2001.

DCM SHRIRAM CONSOLIDATED LIMITED  
POLYMER PROCESSING BUSINESS  
SCHEDULES ANNEXED TO AND FORMING PART OF INDICATIVE REFERENCE  
BALANCE SHEET

AS AT  
JUNE 30, 2001/  
JULY 1, 2001

**SCHEDULE 1- FIXED ASSETS**

	Rs.
Land	3,593
Buildings	7,332,546
Plant and machinery	37,195,067
Furniture and fittings	547,664
Capital work in progress	318,030
	<u>45,396,900</u>

**SCHEDULE 2- CURRENT ASSETS, LOANS AND ADVANCES**

**CURRENT ASSETS**

Inventories	5,051,626
Stores and spares	
Stock in Trade	
Raw materials	3,408,180
Process Stock	3,271,450
Finished goods	21,389,434
	<u>33,120,690</u>
Sundry debtors	86,930,730
Less: Bills Discounted	807,767
	<u>86,122,963</u>

**LOANS AND ADVANCES**

Advances	1,411,955
Deposits	156,497
	<u>1,568,452</u>

**SCHEDULE 3-CURRENT LIABILITIES AND PROVISIONS**

**CURRENT LIABILITIES**

Sundry creditors	40,883,123
	<u>40,883,123</u>

**PROVISIONS**

Gratuity	3,690,225
Leave encashment	219,603
	<u>3,909,828</u>



**SCHEDULE III**  
**DCM SHRIRAM EXPORTS LIMITED**  
**INDICATIVE REFERENCE BALANCE SHEET**

AS AT JULY 1, 2001

SCHEDULE Source of funds		Before giving effect of S/A Rs. (1)	Effect of S/A Rs. (2)	Aftergiving effect of S/A Rs. (3)
Shareholders' funds				
Share capital	1	500,770	20,000,000	20,500,770
Reserves and surplus	2	(426187)	80,000,000	79,573,813
Loan funds				
Unsecured loans-From Holding Company	-	-	335,000,000	335,000,000
Total funds employed		<u>74,583</u>	<u>435,000,000*</u>	<u>435,074,583</u>
Application of Funds				
Fixed assets	3	-	358,980,846	358,980,846
Current assets, loans and advances				
Inventories		-	33,120,690	33,120,690
Sundry debtors		-	86,122,963	86,122,963
Cash & bank balances		75,633	-	75,633
Loans and advances		-	1,568,452	1,568,452
		<u>75,633</u>	<u>120,812,105</u>	<u>120,887,738</u>
Less Current liabilities & provisions				
Current liabilities		1,050	40,883,123	40,884,173
Provisions		-	3,909,828	3,909,828
Net current assets		<u>74,583</u>	<u>76,019,154</u>	<u>76,093,737</u>
Total funds utilised		<u>74,583</u>	<u>435,000,000</u>	<u>435,074,583</u>

Note:

- The above indicated balance sheet as at July 1, 2001 has been prepared from the audited balance sheet as at June 30, 2001 of the Company before and after giving effect to the Scheme of Arrangement (S/A).
- \*represents consideration arrived at as referred to in the clause 14 of Part II of Scheme of Arrangement.
- Figures in Column (2) under the heading Application of Funds represent assets and liabilities to be taken over from DSCL after giving effect to the fair market value of fixed assets based on the valuation report of the independent valuers, M/s Price Waterhouse, Chartered Accountants.

**DCM SHRIRAM EXPORTS LIMITED**  
**SCHEDULES ANNEXED TO AND FORMING PART OF INDICATIVE**  
**REFERENCE BALANCE SHEET**

AS AT JULY 1, 2001

	Before giving effect of S/A Rs. (1)	Effect of S/A Rs. (2)	Aftergiving effect of S/A Rs. (3)
<b>SCHEDULE 1- SHARE CAPITAL</b>			
Authorised			
59,90,000 Equity shares of Rs. 10/-each	59,900,000	-	59,900,000
1,000- 12% Redeemable Cumulative Preference shares of Rs. 100/-each	100,000		100,000
	60,000,000	-	60,000,000
Issued, subscribed & paid-up			
50,007 (July 1,2001-20,50,007) Equity shares of Rs.10/-each fully paid up	500,070	20,000,000	20,500,070
7-12 % Redeemable Cumulative Preference shares of Rs. 100/- each fully paid up	700	-	700
	500,770	20,000,000	20,500,770

Note : Preference shares issued are cumulative and redeemable at the expiry of 20 years from the date of their issue.

**SCHEDULE 2- RESERVES & SURPLUS**

Share premium	-	80,000,000	80,000,000
Profit and loss account	(426,187)	-	(426,187)
	(426,187)	80,000,000	79,573,813

**SCHEDULE 3- FIXED ASSETS**

Land	-	1,891,243	1,891,243
Buildings	-	34,014,755	34,014,755
Plant and machinery	-	43,510,220	43,510,220
Furniture & fittings	-	547,664	547,664
Technical know-how	-	150,760,000*	150,760,000
Brand	-	82,230,000*	82,230,000
Goodwill	-	45,708,934	45,708,934
Capital work in progress	-	318,030	318,030
	-	358,980,846	358,980,846

\*represent fair value as determined by independent valuer, M/s Price Waterhouse, Chartered Accountants for licence for use of technical know how and brand.

**SCHEDULE II**

SCHEDULE IN RESPECT OF THE ASSETS OF M/S DCM SHRIRAM CONSOLIDATED LIMITED (The Transferor Company) as on 1<sup>st</sup> day of July, 2001 to be transferred to and vested in M/s DCM SHRIRAM EXPORTS LIMITED (The Transferee Company)

**PART-I**

(A short description of the Freehold property of the Transferor Company)

NIL

**PART-II**

(A short description of the Leasehold property of the Transferor Company)

Land		Rs. 3,593/-
Description	Land situated at village Kansua, District Kota (Rajasthan) in Khasra number 302 (Old Khasra number 207)	
Title Deed dated	03.01.1964	
Registration No. & Date	47 dated 20.01.1964	
Area	11,820.27. sqm	
Building and Road situated on the above property		Rs. 73,32,546/-
	Total	Rs.73,36,139/-

**PART-III**

(A short description of all shares, securities, debentures and other charges in action of the Transferor company)

-NIL-

Dated this the 27<sup>th</sup> day of November, 2001 and 10<sup>th</sup> day of December, 2001

(By order of the court)

Registrar (Admn. Judl)

**IN THE HIGH COURT OF DELHI, NEW DELHI**

(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF AMALGAMATION/ARRANGEMENT  
BETWEEN

COMPANY PETITION NO. 31/2004

CONNECTED WITH

COMPANY APPLICATION NO. (M) 160/2003

IN THE MATTER OF

M/s. Ghaghara Sugar Ltd.  
having its Regd. Office at  
6th Floor, Kanchenjunga Building  
18 Barakhamba Road,  
New Delhi - 110 001

.....Petitioner  
Transferor Company

AND

IN THE MATTER OF

M/s. DCM Shriram Consolidated Ltd.  
having its Regd. Office at  
6th Floor, Kanchenjunga Building  
18 Barakhamba Road,  
New Delhi - 110 001

.....Petitioner  
Transferee Company

AND

IN THE MATTER OF

M/s. DSCL Energy Services Company Ltd.  
having its Regd. Office at  
6th Floor, Kanchenjunga Building  
18 Barakhamba Road,  
New Delhi - 110 001

.....Non Applicant

BEFORE HON'BLE MR. JUSTICE S. K. AGARWAL

DATED THIS THE 5TH DAY OF MAY 2004

**ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956**

The above petition coming up for hearing on 5/5/2004 for sanction of the scheme of amalgamation/arrangement comprising of two stages, stage I being the demerger of a part of the business of DCM Shriram Consolidated Ltd. to DSCL Energy Services Co. Ltd. and the Second stage it being in the nature of amalgamation of Ghaghara sugar Ltd. (hereinafter referred to as the Transferor Company) with DCM Shriram Consolidated Ltd. (hereinafter referred to as the Transferee Company) upon reading the said petition, the order dated 17/12/2003 whereby the above said Transferor Company and transferee company were ordered to convene a meeting of their shareholders and secured creditors and unsecured creditors for the purpose of considering, and if thought fit, approving, with or without modification, the scheme of amalgamation/arrangement annexed to the affidavits of Sh. B.L. Sachdeva, authorised signatory of the Transferor Company filed on the 16th day of December, 2003 and the publication in newspapers namely (1) Statesman (English) and Jansatta.

(Hindi) both dated 8/1/2004 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated 17/12/2003 the affidavit of Sh. B. L. Sachdeva filed on 30/01/2004 showing the publication and dispatch of the notices convening the said meetings, the reports of Chairman of the said meetings as to the result of the said meetings and upon hearing Ms. Kumkum Sen with Mr. Rajiv Kumar, advocates for the petitioner and Mr. R. K. Batta, Dy Registrar of Companies in person and it appearing from the reports that the proposed scheme of amalgamation/arrangement has been approved unanimously without any modification by the said shareholders and creditors of the Transferor Company and Transferee Company present and voting either in person or by proxy and upon reading the affidavit dated 16/3/2004 of Sh. U.C. Nahata, Regional Director, Northern Region, Department of Company Affairs, Kanpur on behalf of Central Government stating inter-alia that the Central Government has no objection to the proposed scheme of amalgamation/ arrangement and the report of Sh. Alok Samantrai, Official Liquidator dated 12/3/2004 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its shareholders or creditors or to public interest and transferor company could be dissolved without the process of winding up and there being no investigation proceedings pending in relation to the petitioner companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMATION/ARRANGEMENT setforth in Schedule-I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor Company and Transferee Company and all concerned and doth approve the said scheme of amalgamation/ arrangement from the appointed date i.e. 01/04/2003.

#### **AND THIS COURT DO THE FURTHER ORDER:**

1. That all the property, rights and powers of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Transferor company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same and
2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company and;
3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company and;
4. That as per Clause 12 and 13 of part III of the said scheme the share capital of Rs. 28,58,33,330/- and amounts lying in the share premium account of Rs. 41,66,66,660/- of the Transferor Company will be adjusted and cancelled since the Transferor Company being a 100% subsidiary of the Transferee Company ; and the accumulated losses appearing in the



balance sheet of the Transferor Company as on 31st March, 2003 amounting to Rs. 9.43 Crs. Shall be written off against the balance in the share premium account of Rs. 88.75 Crs. in the Transferee Company.

5. That the Transferor Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the transferor company shall be dissolved without the process of winding up and the Registrar of Companies shall place all documents relating to the Transferor Company and register with him on the file kept by him in relation to the transferee company and the files relating to the said transferor company and transferee company shall be consolidated accordingly; and

6. That any person interested shall be at liberty to apply to, the Court in the above matter for any directions that may be necessary.

**SCHEME OF ARRANGEMENT****BETWEEN****DCM SHRIRAM CONSOLIDATED LIMITED****AND****DSCL ENERGY SERVICES COMPANY LIMITED****AND****GHAGHARA SUGAR LIMITED****PART- I****DEFINITIONS:**

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

- 1.. "Act" means the Companies Act, 1956 or any amendments thereto or reenactment thereof.
- 2 "Appointed Date" means the commencement of business on the 1st day of April, 2003 or such other date(s) as the Hon'ble High Court of Delhi may direct.
- 3 "DSCL" means DCM Shriram Consolidated Limited, a company incorporated under Indian Companies Act, 1956 registered on 6th February, 1989 having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001.
- 4 "DSCL Energy" means DSCL Energy Services Company Limited, a company incorporated under Indian Companies Act, 1956 registered on 27th August, 1998 having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001.
- 5., "Effective Date" means the date or the last of the dates on which the certified copies of the order (s) of the Hon'ble High Court of Delhi at New Delhi are filed with the appropriate Registrar of Companies by all the companies viz. DSCL, DSCL Energy and GSL.
- 6 "ESCO Business" shall mean the consultancy and services business in the field of energy management, including services such as cost reduction studies, feasibility studies, energy audit, turn key contracts etc., to be transferred as a going concern on a slump sale basis to DSCL Energy as further described in Stage I hereto. ESCO Business shall mean and include:

(a).. all agreements, contracts, approvals, permissions, consents, exemptions, leases, no objection certificates and certifications, permits, quotas, rights, entitlements, tenancies, trademarks, know-how, technical know-how, trade names, descriptions, trading style, designs, patents, copyrights, privileges and any rights, title or interest in, Intellectual Property Rights, benefits of contracts, agreements and all other rights including lease rights, licenses including those relating to trademarks, powers, entitlements, industrial and other licences (and/ or conditions attached thereto) registrations, brand names, import/export quotas, telephones, telexes, facsimile and communication facilities and equipments, electricity and other such connections, rights, benefits of every kind, nature and description whatsoever of ESCO Business of DSCL;

#### **Schedule 1A**

(b).. all the properties, facilities and assets, moveable and immoveable (as described in Schedule 1A), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent on or of whatsoever nature, wherever situated as on the Appointed Date together with all present and future liabilities including any contingents/statutory liabilities and debts of ESCO Business of DSCL, as per the records of DSCL;

(c).. all employees of ESCO Business of DSCL;

(d).. all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of ESCO Business of DSCL;

#### **Schedule IIA**

(a).. all the assets, debts, loans, liabilities, duties, responsibilities and obligations of ESCO Business of DSCL on the Appointed Date as identified in the last balance sheet of the ESCO Business of DSCL as at 1.4.2003 and described in Schedule IIA hereto.

(f).. all immovable assets, whether freehold, leasehold or otherwise, including all buildings, fixtures, structures, plants, machineries and/or any other developments or rights and facilities related thereto of ESCO Business of DSCL.

7. "GSL" means Ghaghara Sugar Limited, a company incorporated under Indian Companies Act, 1956 registered on 11 th March, 1983 being a wholly owned subsidiary of DSCL carrying on the business of manufacture and sale of sugar and cogeneration of power having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001. GSL shall mean and include:

(a).. all contracts, approvals, permissions, consents, release orders, exemptions, registrations, no-objection and certifications, permits, quotas, rights, entitlements, tenancies, trademarks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label designs, colourschemes, utility models, holograms, bar codes, designs, patents, copyrights, privileges and any rights, title or interest in intellectual Property Rights, benefits of contracts, agreements, cane area reservations, incentive schemes, including sugar incentive schemes and all other rights including lease rights, brand names, import/export quotas, telephones, telexes, facsimile, and communication facilities and equipments, electricity and other such connections, rights, licenses including those relating to trade marks, powers and facilities of every kind, nature and description whatsoever of GSL.

### **Schedule IB**

(b).. all the properties and assets, movable and immovable, (as described in Schedule IB) leasehold and freehold, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent on or of whatsoever nature, wherever situated as on the Appointed Date together with all present and future liabilities including any contingents/ statutory liabilities and debts and undertakings of GSL, as per the records of GSL;

(c).. all employees of GSL;

(d).. all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of GSL;

### **Schedule IIB**

(e).. all the assets, debts, loans, liabilities, duties, responsibilities and obligations of GSL on the Appointed Date as identified in the last audited balance sheet of GSL as at 1st April, 2003 and described in schedule IIB hereto.

(f).. all immovable assets, whether freehold, leasehold or otherwise, including all buildings, fixtures, structures, plant, machinery, depots, warehouses and / or any other developments or rights and facilities related thereto of GSL.

### **Schedule IIIA**

8. "Reference Balance Sheet I" means the Balance Sheet of DSCL as on the Appointed Date prepared after reconstruction of accounts of DSCL, after demerger of ESCO Business and amalgamation of GSL as at 1st April, 2003, as reflected in Schedule III A.

### **Schedule IIIB**

- 8A. "Reference Balance Sheet II" means the Balance Sheet of DSCL Energy as, on the Appointed Date prepared after the transfer of the ESCO Business as at 1st April 2003 as reflected in Schedule III B.
9. "Scheme" means the Scheme of Arrangement, Reconstruction and Reorganization of capital involving demerger of the ESCO Business of DSCL to DSCL Energy and the subsequent amalgamation of GSL with DSCL in a two stage scheme with any amendment/modifications approved or imposed or directed by the Hon'ble High Court of Delhi.
10. Stage-I means the Scheme of Arrangement, Reconstruction and Reorganisation of Capital in the nature of demerger by way of slump sale of ESCO Business, a part of the business of DSCL into a separate Company DSCL Energy in its present form with any amendment/ modifications as approved or directed by the Hon'ble High Court.
11. Stage-II means the Scheme of Arrangement and Reconstruction in the nature of amalgamation between DSCL, being the Transferee Company and its wholly owned subsidiary, GSL, being the Transferor Company in its present form with any amendment/modifications as approved or directed by the Hon'ble High Court.
12. "The Transferor Company" with regard to Stage-I means DSCL.
13. "The Transferor Company" with regard to Stage-II means GSL.
14. "The Transferee Company" with regard to Stage I means DSCL Energy.
15. "The Transferee Company" with regard to Stage II means DSCL.

### **PART-II**

#### **PREAMBLE**

WHEREAS DCM Shriram Consolidated Limited (DSCL) is a company incorporated under the Companies Act, 1956 having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001, inter alia, carrying out business in various fields such as fertilizers, chemicals, plastics, power, cement, textiles, energy services and merchandising, many of these businesses being manufacture and/or sale of commodities.

AND WHEREAS DSCL Energy Services Company Limited (DSCL Energy) is a subsidiary company of DCM Shriram Credit & Investments Ltd. (DSCIL which in turn is a wholly owned subsidiary company of DSCL. DSCL Energy has an object to carry on the business of service provider for energy efficiency projects as designer/consultant/operator on BOT, BOOT, BOOM basis in industry, building complexes including hotels, hospitals, entertainment and recreation



centers, transportation, mining and mineral extractions and agricultural operations. DSCL Energy is having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001.

AND WHEREAS Ghaghara Sugar Limited (GSL) is a company having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001 and is a wholly owned subsidiary of DSCL and carrying on the manufacturing and sale of sugar and cogeneration of power.

AND WHEREAS GSL and DSCL Energy are controlled by DSCL and the entire shareholding in them is held directly and/or indirectly by DSCL.

AND WHEREAS the present Scheme of Arrangement and Reconstruction is being contemplated in two Stages i.e. Stage I and Stage II.

AND WHEREAS Stage I means that part of the Scheme of Arrangement and Reconstruction which involves the demerger of ESCO Business of DSCL to DSCL Energy in order to segregate the energy management and services related business which inter alia, includes providing feasibility studies, energy audit, turn key performance contracts etc. This would facilitate technological input/alliances with leading foreign and national providers. The consideration for the transfer by way of slump sale of the ESCO Business will be discharged by issue of 17,33,200 equity shares at par of Rs.10/- each fully paid up aggregating to Rs. 1,73,32,000 by DSCL Energy to DSCL.

AND WHEREAS it is the expectation of the Board of Directors of both the companies that as the ESCO Business pertains to the service sector which has different dynamics as opposed to manufacturing sector, the proposed arrangement would result in clear business focus in as much as DSCL Energy will have a separate management, which can then pursue its independent management and growth strategies.

AND WHEREAS DSCL has arrived at an arrangement to demerge the ESCO Business on a slump sale and as a going concern basis to DSCL Energy, and both DSCL and DSCL Energy shall make the requisite application jointly before the Hon'ble High Court of Delhi at New Delhi under Section 391 and 394 of the Companies Act, 1956 for sanction of the Scheme of Arrangement.

AND WHEREAS Stage II of the Scheme is in the nature of amalgamation of Ghaghara Sugar Limited, a wholly owned subsidiary company of DSCL with DSCL. STAGE II shall come into effect only after Stage I is completed.

AND WHEREAS the Stage-II of Scheme proposes to amalgamate GSL with DSCL. The object of the Scheme of arrangement is to integrate operations and take advantage of the combined resources of the amalgamating companies.

AND WHEREAS the both GSL and DSCL are having common objects in the agri related business. The proposed amalgamation will bring the agri related businesses under one single entity, which will facilitate in deriving the synergistic benefit.

AND WHEREAS, Stage-II of the Scheme will strengthen and consolidate the position of DSCL and will enable it post merger to participate more vigorously and profitably in an increasingly competitive and liberalised market. The amalgamated Company will be in a position to have a higher growth rate, as the sugar business is the highest growing business of the Group.

AND WHEREAS, Stage-II of the Scheme will enable the management of GSL and DSCL to combine and pool the resources of both the Companies for their common advantage, further growth and consolidation of business, particularly as GSL is a wholly owned subsidiary of DSCL, as well as rationalise and streamline their business and finance and eliminate duplication of work, to common advantage.

AND WHEREAS the arrangement will further enable the amalgamated entity to raise funds from the financial institutions on better terms. The combination will result in strong financial structure, facilities resource mobilisation, cash generation, financial consolidation, and bring down overheads. The synergy of the amalgamation will improve operational efficiency, integrated management functioning and will enhance the share value for the benefit of shareholders of the existing entities.

AND WHEREAS to achieve all the above objectives and to make the requisite application jointly by DSCL, DSCL Energy and GSL before the Hon'ble High Court of Delhi at New Delhi under Section 391 and 394 of the Companies Act, 1956 for sanction of the Scheme of Arrangement.

AND WHEREAS the proposed Scheme shall be subject to approval of the respective requisite majorities of the Shareholders and Creditors of each of the Transferor and Transferee companies involved in Stage I and Stage II thereof and sanction by the Hon'ble High Court of Delhi pursuant to the relevant provisions of Companies Act, 1956.

AND WHEREAS the said Scheme of Arrangement is beneficial to all the Companies, their shareholders, creditors, employees and all concerned and will enable these Companies to achieve and fulfill their objective more efficiently and economically. The said Scheme will contribute in furthering and fulfilling the objects of the DSCL, GSL and DSCL Energy and in the growth and development of their businesses.

AND WHEREAS none of the Directors of DSCL, GSL of DSCL Energy have any material interest in the scheme except as shareholders in general, the extent of which will appear from the Directors shareholding maintained by these companies.

**STAGE -1**

**[The Demerger of ESCO Business of DSCL (Transferor)  
to DSCL Energy Services Company Limited (Transferee)]**

**PART-A****1. SHARE CAPITAL:**

(a) The share capital structure of DSCL as on 31.3.2003 was as follows:

	Rs./lacs
<b>AUTHORISED</b>	<b>10,500.00</b>
4,00,00,000 Equity shares of Rs. 10/- each and 65,00,000 Preference shares of Rs.100/- each	
<b>ISSUED AND SUBSCRIBED</b>	
1,73,70,332 Equity shares of Rs.10/- each.	1,737.03
<b>PAID UP</b>	
1,73,70,332 Equity shares of Rs.10/- each. (excluding calls unpaid)	1,674.63

(b) The share capital structure of DSCL Energy as on 31.3.2003 was as follows:

<b>AUTHORISED</b>	Rs.
49,000 Equity shares of Rs. 10/- each and 100 Redeemable Cumulative Preference shares of Rs.100/- each.	5,00,000.00
<b>ISSUED SUBSCRIBED AND PAID-UP</b>	
49,000 Equity shares of Rs.10/- each fully paid up	4,90,000.00
100 Redeemable Cumulative Preference shares of Rs.100/- each.	10,000.00
<b>Total</b>	<u>5,00,000.00</u>

**PART B****Transferred ESCO Business :**

2. (a) With effect from the Appointed Date, the ESCO Business (including all the properties, assets, rights, title, interest and intellectual property rights, benefits, contracts, agreements, arrangements, licences pertaining to the ESCO Business) shall pursuant to Section 394 (2) of the Act and without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in DSCL Energy on a slump sale and on a going concern basis so as to become as and from the Appointed Date, properties, assets, rights, title, interest and intellectual property rights, benefits, contracts, agreements, arrangements, licences of DSCL Energy subject to the charges thereon, if any, in favour of banks and/or financial institutions.
- (b) All assets, estate rights, contracts, agreements, arrangements, title, interest and authorisations, licenses, approvals pertaining to the ESCO Business acquired by DSCL after the Appointed Date and prior to the Effective Date for operation of the ESCO Business shall also stand transferred to and vested in DSCL Energy upon the coming into effect of the Scheme and shall be appropriately transferred and vested in DSCL Energy.
3. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature relatable to the ESCO Business to which DSCL is a party or to the benefit of which DSCL may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of DSCL Energy and may be enforced as fully and effectually as if, instead of DSCL, DSCL Energy had been a party or beneficiary or obligee thereto.
- (b) Without prejudice to the other provisions of the Scheme and notwithstanding that the vesting of the ESCO Business with DSCL Energy occurs by virtue of this Scheme itself, DSCL Energy may, at anytime after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or documents with any party to any contract or arrangement to which DSCL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. DSCL will, if necessary, also be a party to the above. DSCL Energy shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of DSCL and to carry out or perform all such formalities or compliances referred to above on the part of DSCL to be carried out or performed.
- (c) 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, licenses, contracts, orders, certificates, powers of attorneys given by, issued to or executed in favour of DSCL and pertaining to the ESCO Business shall stand transferred to DSCL Energy, as if the same were originally given by, issued to or executed in favour of DSCL Energy, and the rights and benefits under the same shall be available to DSCL Energy.



- (d) It is hereby clarified that if any assets (estate, 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 ESCO Business, which DSCL owns or to which DSCL is a party cannot be transferred to DSCL Energy for any reason whatsoever then DSCL shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of DSCL Energy.
- 4 All the assets and liabilities pertaining to the ESCO Business shall be transferred at the values appearing in the books of DSCL at the close of business of the day immediately preceding the Appointed Date. These have been accepted by the Board of Directors of DSCL and DSCL Energy. DSCL Energy will discharge the payment by issue of 17,33,200 equity shares of Rs. 10/- each at par aggregating to Rs. 1,73,32,000 as set forth in the Reference Balance Sheet of DSCL Energy, as of April 1st, 2003 as is mentioned in Schedule III A hereto.
5. It is clarified that, upon the coming into effect of the Scheme, the assets & liabilities and obligations of DSCL as on the Appointed Date and being a part of the undertaking of the ESCO Business shall, without any further act or deed be and stand transferred to DSCL Energy, as on Appointed Date and shall become the asset, liabilities and obligations of DSCL Energy which shall meet, discharge and satisfy the same.
6. (a) Upon the coming into effect of the Scheme, all legal or other proceedings (including proceedings before any statutory or quasi-judicial authority or judicial/ administrative tribunal) by or against DSCL under any law pertaining to the ESCO Business whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the assets and liabilities transferred to DSCL Energy shall be continued and enforced by or against DSCL after the Effective Date. In the event that the legal proceedings referred to herein require both DSCL and DSCL Energy to be added as parties thereto, DSCL Energy shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with DSCL. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to the ESCO Business or not, the decision of the Boards of Directors of DSCL and DSCL Energy as to whether such proceeding relates to the ESCO Business or not, shall be conclusive evidence of the relationship with the ESCO Business.
- (b) In respect of all the proceedings, that are taken against DSCL in respect of the matters referred to in sub-clause (a) above, DSCL shall defend the same.
- (c) DSCL Energy undertakes to have all legal or other proceedings initiated by or against DSCL on behalf of DSCL Energy in relation to the assets and liabilities transferred as are referred to in sub-clause (a) above, be transferred into its name after the Effective Date and to have the same continued, prosecuted and enforced by or against DSCL Energy to the exclusion of DSCL. Both companies shall make relevant application(s) in that behalf.



7. With effect from the Appointed Date and up to and including the Effective Date, DSCL:
- (a) shall be deemed to have been carrying on all business and activities relating to the ESCO Business and stand possessed of all the estate, assets, rights, title, interest and authorities of the ESCO Business for and on account of, and in trust for, DSCL Energy; and
  - (b) all profits accruing to DSCL, or losses arising or incurred by it (including the effect of taxes if any thereon), relating to the ESCO Business shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of DSCL Energy.
8. DSCL undertakes that it will from the Appointed Date and up to and including the Effective Date preserve and carry on the ESCO Business with diligence, prudence and agrees that it will not, in any material respect without the prior written consent of DSCL Energy, alienate, charge or otherwise deal with or dispose of the ESCO Business or any part thereof, in each case except in the ordinary course of business.
9. (a) DSCL Energy undertakes to engage, on and from the Effective Date, such of the employees of DSCL who are engaged in the ESCO Business and who are in the employment of DSCL as on such date, on terms and conditions not less favourable than those on which they are engaged by DSCL, without any interruption of service as a result of the transfer. DSCL Energy agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with DSCL shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- (b) In so far as the existing provident fund gratuity fund and pension and/or superannuation fund accumulations by DSCL for its employees with the Provident Fund Trusts, Pension Fund Trusts and other trusts (including employees of the ESCO Business) are concerned, the part of the funds referable to the employees of the ESCO Business who are being transferred shall be transferred to and continued by DSCL Energy for the benefit of such employees on the same terms and conditions. DSCL Energy shall make the necessary contributions for such employees being taken over by DSCL Energy.
- The Provident Fund accumulated upto the Effective Date in respect of the employees being taken over by DSCL Energy, lying either with DSCL or with the Provident Fund Trusts shall be transferred to the funds to be created and/or maintained by DSCL Energy or with the respective Provident Fund Trusts.
10. The transfer and vesting of the assets, liabilities and obligations of the ESCO Business under Clause 2 and the continuance of the proceedings by or against DSCL under Clause 6 hereof, shall not affect any transaction or proceedings already completed by DSCL on or before the Appointed Date and intent that DSCL Energy accepts all acts, deeds and things done and executed by and/or on behalf of DSCL as acts, deeds and things done and executed by and on behalf of DSCL Energy.

11. DSCL and DSCL Energy are expressly permitted to revise their Income Tax, Sales Tax, Service Tax and other statutory returns including without limitation, TDS certificates and the right to claim refund, advance tax credits etc., upon this Scheme becoming effective and have expressly reserved the right to make such revisions in the Income Tax returns and related TDS certificates and the right to claim refund, advance tax credits etc., pursuant to the sanction of this Scheme.
12. DSCL Energy undertakes to continue to abide by any agreements entered into by DSCL with the employees of DSCL in relation to the ESCO Business. DSCL Energy agrees that the service of all such employees with DSCL upto the Effective Date shall be taken into account for the purpose of all retirement benefits for which they may be eligible in DSCL. DSCL Energy further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past service with DSCL, shall also be taken into the account and agrees and undertakes to pay the same as and when payable.
13. All income, receipts and gains of whatsoever nature and all expenses, payments and losses of whatsoever nature relating to the ESCO Business not accounted for or disclosed in the books of DSCL as on the Appointed Date, but pertaining to the period up to the Appointed Date shall be to the account of DSCL and any monies received or payments made or any income or expense accrued or any gains made or losses incurred by DSCL Energy in relation to such items shall be paid to or recovered from DSCL as the case may be. All continuing gains/losses, income/expenses, receipts/payments relating to the ESCO Business in respect of the period on and after the Appointed Date shall accrue to DSCL Energy's account only.

## **PART C**

### **OTHER MATTERS**

14. Treatment in the books of DSCL and DSCL Energy:  
Upon coming into effect of the Scheme and on account of the demerger of the ESCO Business of DSCL to DSCL Energy with effect from the Appointed Date :-
  1. DSCL Energy shall discharge the consideration by issue of 17,33,200 equity shares of Rs. 10 each fully paid up amounting to Rs. 1,73,32,000 to DSCL.
  2. DSCL Energy shall, upon the transfer becoming effective, record the assets and liabilities of the ESCO Business of DSCL vested in it pursuant to this Scheme at the values, as appearing in the books of DSCL at the close of business of the day immediately preceding the Appointed Date.
  3. DSCL shall deduct the book value of the assets and liabilities pertaining to the ESCO Business that are vested with DSCL Energy pursuant to the Scheme in its books.
  4. DSCL shall record the value of its investments in DSCL Energy at the values referred to in clause 1 above.

- 15 (a) The equity shares to be issued and allotted by DSCL Energy in terms of Clause 4 above shall rank pari passu in all respects with the existing equity shares of DSCL Energy, and the new shareholder will be entitled to dividend (whether interim or final) for the accounting period commencing on the Appointed Date.
- (b) The holders of the shares of DSCL and DSCL Energy shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c) It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of DSCL and/or DSCL Energy to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of DSCL and DSCL Energy and subject to the approval of the shareholders, where necessary, of DSCL and DSCL Energy respectively.

## **STAGE-II**

### **PART - A**

#### **SHARE CAPITAL**

1. The capital structure of DSCL and GSL as on 31<sup>st</sup> March, 2003 as parties to the present Scheme of Amalgamation, is as under:

- (a). The share capital structure of DSCL as on 31.3.2003 is as follows:

	Rs./lacs
AUTHORISED	10,500.00
4,00,00,000 Equity shares of Rs.10/- each	
and 65,00,000 Preference shares of Rs.100/- each	
ISSUED AND SUBSCRIBED	
1,73,70,332 Equity shares of Rs.10/- each.	1,737.03
PAID-UP	
1,73,70,332 Equity shares of Rs. 10/- each.	1,674.63
(Excluding calls unpaid)	

- (b) The share capital structure of GSL as on 31.3.2003 was as follows:

Rs.

AUTHORISED

4,00,00,000 Equity shares of Rs. 10/- each.	40,00,00,000.00
---	-----------------

ISSUED SUBSCRIBED AND PAID-UP

2,85,83,333 Equity shares of Rs. 10/-each	28,58,33,330.00
---	-----------------

- (c) The Shareholding Pattern of the Transferor and the Transferee Companies are as under:

(I) GHAGHARA SUGAR LIMITED

The entire equity shareholding of GSL is held by DSCL.

(ii) DCM SHRIRAM CONSOLIDATED LIMITED

Shareholding Pattern as on 30.9.2003

Category	No. of Shares held	%age of Shareholding
A. PROMOTER'S HOLDING	84,96,318	51.21
1. Promoters		
Sub Total	84,96,318	51.21
B. NON-PROMOTER'S HOLDING		
2. Institutional Investors:-		
a. Mutual Funds and UTI	6,37,139	3.84
b. Banks, Financial Institutions, Insurance Companies, Central/State Government/Non-Govt. Institutions.	29,45,655	17.76
c. FIIs	20,235	0.12
Sub Total	36,03,029	21.72
3. OTHERS		
a. Corporate Bodies	3,46,035	2.09
b. Indian Public	25,80,858	15.56
c. NRIs/OCBs	15,64,092	9.42
d. Any other		-
Sub Total	44,90,985	27.07
GRAND TOTAL	1,65,90,332	100.00



## PART - B

**AMALGAMATION OF GSL WITH DSCL**

1. With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking and the entire business of GSL shall without further act or deed be transferred to and be vested or deemed to have been transferred to and vested in DSCL by way of amalgamation pursuant to Sections 391(2) and 394(2) of the Act so as to become as and from the Appointed Date the estates, assets, rights, title, licenses and release orders, incentives including sugar cane incentives, cane reservation areas, interests and undertaking of DSCL, subject however, to all charges, liens, mortgages, created and /or registered in favour of any Bank, Financial Institutions, if any, then affecting the same or any part thereof.

Provided always that any reference in the security documents or arrangements to which GSL is a party, to the assets of GSL offered as security for any financial assistance or obligation, shall be construed as a reference to the assets pertaining to that undertaking of GSL only as are vested in DSCL by virtue of this Scheme and the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by GSL which shall vest in DSCL by virtue of the amalgamation. DSCL shall not be obliged to create any further or additional security thereof after the amalgamation has become effective or otherwise except in case where the required security has not been created and in such case, DSCL will create the security in terms of the issue or agreement in relation thereto.

Similarly, DSCL shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or facility availed or raised by it.

2. Any inter se contracts between GSL with DSCL shall stand adjusted and vest in DSCL upon the sanction of the Scheme and upon the Scheme becoming effective.
3. If any suit, actions, appeal or any other proceedings of whatever nature (herein after called "the proceedings") by or against GSL be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of GSL or anything contained in this Scheme, and the proceedings may be continued, prosecuted and enforced by or against DSCL in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against GSL if this Scheme had not been made.
4. The transfer and vesting of the business of GSL under Clause 1 hereof and the continuance of the proceedings by or against DSCL under Clause 3 hereof shall not affect any transaction or proceeding already concluded by GSL on or after the Appointed Date to the end and intent that DSCL accepts and adopts all acts, deeds and things done and executed by or on behalf of GSL as acts, deeds and things done and executed by or on behalf of DSCL.

5. Subject to the provisions contained in this Scheme, all contracts, deeds, bonds, agreements, licences and other documents and instruments of whatsoever nature to which GSL is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of DSCL and may be enforced as fully and effectively, as if instead of GSL, DSCL had been a party thereto.
6. With effect from the 'Appointed Date' upto the 'Effective Date' :-
  - (a) GSL shall carry on and shall be deemed to have carried on all its business and activities in respect of the Undertaking and stand possessed of its properties and assets for and on account of and in trust for DSCL;
  - (b) All the profits or incomes accruing or arising to GSL or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by GSL shall for all purposes be treated and be deemed to be and accrued as, the profits or incomes or expenditure or losses of DSCL, as the case may be;
  - (c) GSL shall carry on its business activities in relation to the undertaking under reasonable diligence, utmost business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts, or incur any other liabilities or expenditure, issue any additional guarantee, indemnities, letter of comfort or commitments, either for itself or on behalf of its subsidiaries, if any, or group Companies or any third party, or save as expressly permitted by this Scheme, alienate, charge, mortgage, encumber or otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, or without the consent of DSCL or pursuant to any pre-existing obligation undertaken by GSL prior to the Appointed Date;
  - (d) DSCL shall also be entitled, pending the sanction of the Scheme to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law (including without limitation, under the Industries (Development & Regulation) Act, 1951, Monopolies and Restrictive Trade Practices Act, 1969, Transfer of Property Act, 1973 etc.) for such consent, approvals and sanctions which DSCL, may require;
  - (e) Save as specifically provided in this Scheme, neither GSL nor DSCL shall make any change in its capital structure either by any increase, ( by issue of rights shares, equity or preference shares, bonus shares, convertible debentures or otherwise ) decrease, reduction, re-classification, sub division or consolidation, re - organisation, or in any other manner.
7. The borrowing limits of DSCL in terms of Section 293(l)(d) of the Act, shall without further act, instrument, permission, consent, approval or deed stand enhanced as required by an amount equivalent to the authorised borrowings limits of GSL, such limits being incremental to the existing limits of DSCL.
8. All the loans and advances extended or notes issued by DSCL to GSL and vice - versa shall stand cancelled and GSL and DSCL, as the case may be, shall have no further obligation in that behalf.

9. GSL and DSCL shall be entitled to declare and pay dividends, whether interim or final in respect of the accounting period prior to the effective Date.
10. DSCL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise execute deeds, confirmations or other writings or separate arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. DSCL under the provisions of this Scheme is hereby authorized and shall be deemed to be authorized to execute any such writings on behalf of GSL and to carry out or perform all such formalities or compliances referred to above on the part of GSL to be carried out or performed.

### **PART - C**

GSL being a 100% subsidiary of DSCL, the share capital of Rs. 28,58,33,330/- and amounts lying in the share premium account of Rs.41,66,66,660/- of GSL will be adjusted and stands cancelled. On the "Effective Date" Equity Shares of GSL held by DSCL will be cancelled i.e. shares issued by GSL shall stand cancelled as of the Appointed Date, and shall be of no effect, and GSL shall have no further obligations outstanding in that behalf.

All assets and liabilities of GSL shall become the assets and liabilities of DSCL as though the same has been created in the books of DSCL.

### **PART -III**

#### **SHARE ALLOTMENT/REORGANISATION OF SHARE CAPITAL AND SHARE PREMIUM ACCOUNT**

11. DSCL Energy shall discharge the obligation for consideration to DSCL by way of issue of 17,33,200 equity shares of Rs. 10/- each at par. The Schedule IV A is annexed hereto for the shareholding pattern pursuant to the allotment of the above shares.
12. GSL being a 100% subsidiary of DSCL, the share capital of Rs. 28,58,33,330/- and amounts lying in the share premium account of Rs.41,66,66,660/- of GSL will be adjusted and stands cancelled. On the 'Effective Date' Equity Shares of GSL held by DSCL will be cancelled i.e. shares issued by GSL shall stand cancelled as of the Appointed Date, and shall be of no effect, and GSL shall have no further obligations outstanding in that behalf.
13. As an integral part of the restructuring and with a view to enhance shareholder's value through improvement in future profitability and consequent increase in earnings per share, the accumulated losses appearing in the balance sheet of the Company as on 31st March, 2003 amounting to Rs.9.43 crs. shall be written off against the balance in the Share Premium Account of Rs. 88.75 crs. In DSCL, subject to the orders of this High Court. Further, the difference between investment in books of DSCL and total of Share Capital and Reserve and Surplus in books of GSL amounting

to Rs.28 lacs shall also be written off against the balance in share premium Account of Rs.88.75 crs. in DSCL.

14. The Reference Balance Sheet I constitutes the reconstructed balance sheet of DSCL pursuant to the demerger of the ESCO Business, adjustment of the share premium account and the amalgamation with GSL as on the Appointed Date. The Schedule IV B is annexed hereto for the shareholding pattern of DSCL.
15. Upon the Scheme becoming effective, DSCL and DSCL Energy are expressly permitted to revise the sales tax returns, service tax returns, and other statutory returns and to claim refund/credits etc. on the basis of the Reference Balance Sheet, becoming effective on the Appointed Date pursuant to the terms of this Scheme and its right to make such revisions in the Sales Tax returns service tax returns, and other statutory returns and to claim refund/credits is expressly reserved.
16. It is expressly clarified that upon the Scheme becoming effective all taxes payable by GSL from the appointed date onwards including all or any refunds of the claims shall be treated as the tax liability or refunds/claims as the case may be of DSCL.
17. DSCL and DSCL Energy are expressly permitted to revise its Income-tax returns and related TDS Certificates and to claim refunds, advance tax credits, adjustment/credit of brought forward losses etc. on the basis of the Reference Balance Sheet as above, becoming effective on the Appointed Date and its right to make such revisions in the Income-tax returns and related TDS Certificates and the right to claim refunds, advance tax credits, adjustment/credit of brought forward losses pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly granted.
18. All the employees of GSL shall become the employees of DSCL without interruption in service and on terms no less favourable to them than those then applicable to them on the Effective Date. It is expressly provided that the Provident Fund, Gratuity Fund etc. created or existing for the benefit of the employees of GSL shall stand substituted by DSCL.
19. Upon the Scheme becoming effective and subject to an order being made by the Hon'ble High Court of Delhi under Section 394 of the Act GSL shall stand dissolved without winding up as and from the effective date or such date as the said Hon'ble High Court may direct.
20. DSCL and DSCL Energy shall make suitable alterations, if required to their respective Memorandum and Articles of Association for proper implementation of this Scheme.

#### **PART - IV**

#### **GENERAL TERMS AND CONDITIONS**

1. The cancellation of the shares under the provisions of this Scheme of the Shareholders will be made subject to any approval of statutory and Governmental authorities, as applicable.



2. The Books of account of DSCL and DSCL Energy as on the Appointed Date would incorporate the above arrangement as accepted by the Board of Directors of the respective company. Reference Balance Sheet - I (of DSCL as on the Appointed Date, after incorporating the above arrangements is enclosed as Schedule - III A. Reference Balance Sheet - II (of DSCL Energy) is enclosed as Schedule - III B. The assets and liabilities pertaining to the ESCO Business have been incorporated in the books of accounts of DSCL Energy at the book value as appearing in the books of DSCL as at the Appointed Date.
3. The Scheme is conditional upon and subject to the following:-
  - a) The Scheme being approved by the requisite majorities of the respective members /creditors of DSCL, GSL and DSCL Energy and it being sanctioned by the Hon'ble High Court of Delhi under Section 391 of the Act and the appropriate orders being made by the said High Courts pursuant to Section 394 of the Act for effecting Scheme of Arrangement and reconstruction and the implementation of the Scheme.
  - b) The certified copies of the Order of the Hon'ble High Court of Delhi have been filed with the Registrar of Companies, NCT of Delhi & Haryana for DSCL, GSL and DSCL Energy.
4. DSCL, GSL and DSCL Energy shall make necessary applications to the Hon'ble High Courts of Delhi for obtaining the Hon'ble Court's sanction for this Scheme and for the consequent dissolution without winding up of GSL.
5. The Scheme although operative from the Appointed Date shall take effect finally and from the date on which any of the aforesaid sanctions or approvals or orders shall be last obtained, which shall be the Effective Date for the purpose of the scheme.
6. Until the Scheme is sanctioned and transfers effected as aforesaid and until DSCL is effectively able to take over and obtain all necessary transfer effected with the parties concerned GSL shall carry on its business in usual course and shall be deemed to be carrying on the said business for and on behalf of and in trust for DSCL with effect from the Appointed Date.
7. DSCL ( by its Directors), GSL (by its Directors) and DSCL Energy ( by its Directors ) or any person authorised by them may assent from time to time on behalf of all persons concerned to any modifications or amendments of this Scheme or of any conditions or limitations which the respective Hon'ble High Courts and / or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary and / or expedient for the purpose of implementing this Scheme.
8. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of DSCL, GSL and DSCL Energy may give and are authorised to give all such directions as are necessary including directions for settling any question or doubt or difficulty that may arise.
9. All costs, charges and expenses in relation to or in connection with this Scheme



and incidental thereto shall be borne and paid by DSCL.

10.. The Board of Directors of DSCL, GSL and DSCL Energy shall be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any Authority is unacceptable to them.

11. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person and all income, profits, costs, charges and expenses or loss of ESCO Business with effect from the Appointed Date shall continue be to the account of the DSCL, and of GSL shall continue to be the account of GSL.

12. Upon the sanction of the Scheme and after the Scheme has become effective, with effect from the Appointed Date, the following shall be deemed to have occurred in the sequence and in the order provided:

- (i) the demerger of the ESCO Business as going concern basis to DSCL Energy;
- (ii) the amalgamation of GSL with DSCL;
- (iii) the write-off of the accumulated losses of GSL against share premium account of DSCL and the write-off of the difference between the cost of investment in GSL in the books of DSCL and paid up share capital and share premium of GSL against share premium account of DSCL.

13. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and/or any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to the sole arbitration of Shri Ajay S.Shriram or Dr.S.S.Baijal as may be mutually agreed by Board or Directors of all the Companies, whose decision shall be final and binding.

**DCM SHRIRAM CONSOLIDATED LIMITED**  
**DSCL ENERGY SERVICES COMPANY LIMITED**  
**GHAGHARA SUGAR LIMITED**

SCHEDULE I (A)**DCM SHRIRAM CONSOLIDATED LIMITED****DETAILS OF IMMOVABLE PROPERTIES OF ESCO BUSINESS AS ON 31.3.2003 : NIL**SCHEDULE II (A)**DCM SHRIRAM CONSOLIDATED LIMITED****INDICATIVE REFERENCE BALANCE SHEET OF ESCO BUSINESS**  
**AS AT 31ST MARCH, 2003**

Rs./Lacs.

**Sources of Funds**

Funds from Head Office	
On current account	173.32
Finance lease liability	0.08
Total Funds Employed	<u>173.40</u>

**Application of Funds**

Fixed Assets	
Gross block	70.78
Less : Depreciation	<u>24.75</u>
Net block	46.03

**Current assets, loans and advances**

Sundry debtors	127.28
Cash and bank balances	1.95
Loans and Advances	<u>10.92</u>
	140.15

**Less: Current liabilities and provisions**

Current liabilities	1.40
Provisions	<u>11.38</u>
	12.78

Net Current assets 127.37

Total funds utilised 173.40

SCHEDULE I (B)**GHAGHARA SUGAR LIMITED****Details of Immovable properties as on 31.3.2003**

<b>A. <u>Details of Land</u></b>	<b><u>Area (Acres)</u></b>	<b><u>Value (Rs.)</u></b>
Plot of Land at Ajbapur	164.75	43,493,429
Plot of Land at Gujarat	0.49	180,000
Plot of land at Rupapur - Free Hold	77.35	3,778,185
Plot of Land at Rupapur - Lease Hold	66.08	1,947,179
<b>Total</b>	<b>308.67</b>	<b>49,398,793</b>

**B. Buildings** Buildings and roads situated on the abovementioned Land**Book Value****Rs. 2710.05 Lacs**

SCHEDULE II (B)**GHAGHARA SUGAR LIMITED****INDICATIVE REFERENCE BALANCE SHEET**  
**AS AT 31ST MARCH, 2003**

Rs./Lacs.

**Sources of Funds**

Shareholders' funds	
Share Capital	2858.33
Reserves and surplus	4166.67
	<u>7025.00</u>

## Loan funds

Secured	11650.31
Unsecured	3088.02
	<u>14738.33</u>

## Total funds employed

21763.33**Application of Funds**

Fixed assets	
Gross block	15978.45
Less: Depreciation	2410.06

Net block 13568.39

Capital Work in progress 231.99

13800.38

Investments 1.07

## Current assets, loans and advances

Inventories	8553.87
Sundry debtors	319.68
Cash and bank balances	370.23
Loans and Advances	206.45
	<u>9450.23</u>

## Less: Current liabilities and provisions

Current liabilities	2809.40
Provisions	74.73
	<u>2884.12</u>

Net Current assets 6566.10

Miscellaneous expenditure  
(to the extent not written-off or adjusted) 44.38

Profit &amp; Loss account 942.98

Deffered Tax Assets 408.42

Total funds utilised 21763.33

SCHEDULE IIDCM SHRIRAM CONSOLIDATED LIMITEDINDICATIVE REFERENCE BALANCE SHEET AS ON APRIL 1, 2003

	Rs./Crs.
	After giving effect of Scheme of Arrangement
<b>Sources of Funds</b>	
Shareholders' funds	
Share capital	16.75
Reserves and surplus	<u>288.22</u>
	304.97
Loan funds	
Secured	459.08
Unsecured	<u>75.69</u>
	534.77
Deferred tax liabilities (net)	<u>92.49</u>
Total funds employed	<u>932.23</u>
<b>Application of Funds</b>	
Fixed assets	
Gross block	829.00
Less: Depreciation	<u>258.94</u>
Net block	570.06
Capital work in progress	<u>37.32</u>
	607.38
Investments	53.51
Current assets, loans and advances	0.00
Inventories	154.00
Sundry debtors	126.30
Cash and bank balances	11.76
Loans and advances	<u>89.68</u>
	381.73
Less: Current liabilities and provisions	
Current liabilities	84.95
Provisions	<u>25.88</u>
	110.83
Net current assets	270.90
Miscellaneous expenditure (to the extent not written-off or adjusted)	<u>0.44</u>
Total funds utilised	<u>932.23</u>



## SCHEDULE III B

DCM SHRIRAM ENERGY SERVICES COMPANY LIMITEDINDICATIVE REFERENCE BALANCE SHEET AS ON APRIL 1, 2003

	Rs./Crs.
	After giving effect of Scheme of Arrangement
<b>Sources of Funds</b>	
Shareholders' funds	
Share capital	178.32
Reserves and surplus	-0.21
	<u>178.11</u>
Loan funds	
Unsecured	0.08
Deferred tax liabilities (net)	
Total funds employed	<u>178.19</u>
<b>Application of Funds</b>	
Fixed assets	
Gross block	70.78
Less: Depreciation	24.75
Net block	<u>46.03</u>
Current assets, loans and advances	
Sundry debtors	127.28
Cash and bank balances	6.93
Loans and advances	10.92
	<u>145.13</u>
Less: Current liabilities and provisions	
Current liabilities	1.69
Provisions	11.38
	<u>13.07</u>
Net current assets	132.06
Miscellaneous expenditure (to the extent not written-off)	0.10
Total funds utilised	<u>178.19</u>

DSCL ENERGY SERVICES COMPANY LIMITED

Indicative Shareholding Pattern after demerger

S. No.	Name of Shareholder	No. of Equity Shares	% of total shareholding
1.	DCM Shriram Consolidated Ltd.	17,33,200	97.25
2.	DCM Shriram Credit & Investments Ltd.	48,993	2.75
3.	Shri Ajay S. Shriram	1	-
4.	Shri Vikram S. Shriram	1	-
5.	Shri Ajit S. Shriram	1	-
6.	Shri Rajiv Sinha	1	-
7.	Shri Gopal Chandra Datta Roy	1	-
8.	Shri Parveen Kr. Aggarwal	1	-
9.	Shri Ashok Kr. Nandwani	1	-
		17,82,200	100.00

DCM SHRIRAM CONSOLIDATED LIMITED

## Indicative Shareholding Pattern

Category	No. of Shares held	%age of Shareholding
A. PROMOTER'S HOLDING	84,96,318	51.21
1. Promoters		
Sub Total	84,96,318	51.21
B. NON-PROMOTER'S HOLDING		
2. Institutional Investors:-		
a. Mutual Funds and UTI	6,37,139	3.84
b. Banks, Financial Institutions, Insurance Companies, Central/State Government/Non-Govt. Institutions.	29,45,655	17.76
c. FIIs	20,235	0.12
Sub Total	36,03,029	21.72
3. OTHERS		
a. Corporate Bodies	3,46,035	2.09
b. Indian Public	25,80,858	15.56
c. NRIs/OCBs	15,64,092	9.42
d. Any other	-	-
Sub Total	44,90,985	27.07
GRAND TOTAL	1,65,90,332	100.00

IN THE HIGH COURT OF DELHI AT NEW DELHI  
 ORIGINAL COMPANY JURISDICTION  
 COMPANY PETITION NO. 31 OF 2004  
 CONNECTED WITH  
 COMPANY APPLICATION NO. 160 OF 2003  
IN THE MATTER OF:  
 SECTION 391 AND 394 OF THE COMPANIES ACT, 1956  
 AND  
IN THE MATTER OF:  
 SCHEME OF ARRANGEMENT  
 BETWEEN  
 DCM SHRIRAM CONSOLIDATED LIMITED  
 AND  
 DSCL ENERGY SERVICES COMPANY LIMITED  
 AND  
 GHAGHARA SUGAR LIMITED  
 AND IN THE MATTER OF

**DCM SHRIRAM CONSOLIDATED LIMITED, (DSCL)**

A company incorporated under the Companies Act, 1956 and having its Registered Office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi- 110001.

..... Petitioner No. 1/Transferee Company

AND

**GHAGHARA SUGAR LIMITED, (GSL)**

A company incorporated under the Companies Act, 1956 and having its Registered Office at 6th Floor, Kanchenjunga Building 18, Barakhamba Road, New Delhi-110001

..... Petitioner No. 2/Transferor Company

IN MATTER OF:

**DSCL ENERGY SERVICES COMPANY LIMITED, (DSCL ENERGY)**

A company incorporated under the Companies Act, 1956 and having its Registered Office at 6th Floor, Kanchenjunga Building 18, Barakhamba Road, New Delhi-110001

..... Non Petitioner

SHORT PARTICULARS OF ALL THE PROPERTY, RIGHTS & POWER OF THE TRANSFEROR COMPANY VIZ, GHAGHARA SUGAR LIMITED (GSL) TO BE TRANSFERRED TO DCM SHRIRAM CONSOLIDATED LIMITED, (DSCL) (TRANFEEEE COMPANY) IN PART I. PART II, AND PART III OF THE SCHEDULE (FORM NO. 42).

**PART-1**  
( A SHORT DESCRIPTION OF THE FREEHOLD PROPERTY OF THE  
TRANSFEROR COMPANY)

Ajbapur Sugar Complex

DESCRIPTION			AREA
Sr. No.	Village Name	Khasra No.	Area (in Acre)
1.	Ajbapur	300	0.300
2.	Ajbapur	404	3.300
3.	Ajbapur	386	12.110
4.	Ajbapur	404	3.135
5.	Ajbapur	365	0.290
6.	Ajbapur	320	0.280
7.	Ajbapur	466	0.870
8.	Ajbapur	224	0.480
9.	Ajbapur	223	0.315
10.	Ajbapur	227	0.101
11.	Ajbapur	228	0.080
12.	Ajbapur	378	0.780
13.	Ajbapur	438	0.080
14.	Ajbapur	440	0.190
15.	Ajbapur	440	0.130
16.	Ajbapur	361	0.167
17.	Ajbapur	207	0.400
18.	Ajbapur	368	0.150
19.	Ajbapur	353	0.128
20.	Ajbapur	406	0.938
21.	Ajbapur	225	0.480
22.	Ajbapur	227	0.101
23.	Ajbapur	218	3.070
24.	Ajbapur	222	0.980
25.	Ajbapur	390	2.280
26.	Ajbapur	404	0.500
27.	Ajbapur	497	4.860
28.	Ajbapur	404	0.498
29.	Ajbapur	219/519	0.279
30.	Ajbapur	388	0.790
31.	Ajbapur	223	0.315
32.	Ajbapur	227	0.049
33.	Ajbapur	301	2.383
34.	Ajbapur	404	0.249
35.	Ajbapur	404	3.000
36.	Ajbapur	376	0.910



DESCRIPTION			AREA
Sr. No.	Village Name	Khasra No.	Area (in Acres)
37.	Ajbapur	353	0.192
38.	Ajbapur	240	0.479
39.	Ajbapur	231	0.778
40.	Ajbapur	211	0.140
41.	Ajbapur	208	0.419
42.	Ajbapur	208	1.000
43.	Ajbapur	304	1.000
44.	Ajbapur	357	0.180
45.	Ajbapur	404	0.350
46.	Ajbapur	381	0.859
47.	Ajbapur	215	1.220
48.	Ajbapur	370	0.298
49.	Ajbapur	373	1.649
50.	Ajbapur	212	1.091
51.	Ajbapur	232	1.998
52.	Ajbapur	302	0.219
53.	Ajbapur	350	0.049
54.	Ajbapur	375	0.049
55.	Ajbapur	304	0.760
56.	Ajbapur	411	2.148
57.	Ajbapur	404	0.498
58.	Ajbapur	358	0.049
59.	Ajbapur	359	0.380
60.	Ajbapur	360	0.190
61.	Ajbapur	362	0.666
62.	Ajbapur	400	0.538
63.	Ajbapur	366	0.140
64.	Ajbapur	367	0.340
65.	Ajbapur	369	0.449
66.	Ajbapur	375	0.308
67.	Ajbapur	404	0.498
68.	Ajbapur	210	0.456
69.	Ajbapur	379	1.197
70.	Ajbapur	303	0.889
71.	Ajbapur	403	1.694
72.	Ajbapur	404	3.000
73.	Ajbapur	213	1.770
74.	Ajbapur	385	1.906
75.	Ajbapur	214	2.324
76.	Ajbapur	217	0.456
77.	Ajbapur	409	0.449
78.	Ajbapur	410	0.447
79.	Ajbapur	216	0.857

DESCRIPTION			AREA
Sr. No.	Village Name	Khasra No.	Area (in Acre)
80.	Ajbapur	389	1.469
81.	Ajbapur	383	2.116
82.	Ajbapur	384	0.938
83.	Ajbapur	375	0.308
84.	Ajbapur	375	0.308
85.	Ajbapur	404	0.498
86.	Ajbapur	219/519	0.150
87.	Ajbapur	382	3.170
88.	Ajbapur	299	0.298
89.	Ajbapur	302	0.879
90.	Ajbapur	302	0.350
91.	Ajbapur	226	0.079
92.	Ajbapur	227	0.101
93.	Ajbapur	368	0.076
94.	Ajbapur	219/519	0.039
95.	Ajbapur	368	0.076
96.	Ajbapur	511	0.498
97.	Ajbapur	371	0.298
98.	Ajbapur	404	1.499
99.	Ajbapur	207	1.050
100.	Ajbapur	424	0.870
101.	Ajbapur	425	0.650
102.	Ajbapur	441	0.090
103.	Ajbapur	442	0.040
104.	Ajbapur	510	0.710
105.	Ajbapur	512	0.790
106.	Ajbapur	513	0.440
107.	Ajbapur	514	0.410
108.	Ajbapur	503	0.240
109.	Ajbapur	433	0.870
110.	Ajbapur	435	0.380
111.	Ajbapur	436	0.980
112.	Ajbapur	346	0.710
113.	Ajbapur	347	0.060
114.	Ajbapur	348	0.200
115.	Ajbapur	401	0.260
116.	Ajbapur	402/552	0.020
117.	Ajbapur	443/521	0.040
118.	Ajbapur	502	0.030
119.	Ajbapur	152 M	0.500
120.	Ajbapur	317	0.214
121.	Ajbapur	156	0.685
122.	Ajbapur	209 M	1.000

DESCRIPTION			AREA
Sr. No.	Village Name	Khasra No.	Area (in Acre)
123.	Ajbapur	160	0.918
124.	Ajbapur	426	0.718
125.	Ajbapur	427	0.869
126.	Ajbapur	381	1.719
127.	Ajbapur	209 M	3.198
128.	Ajbapur	152	3.000
129.	Ajbapur	152	2.499
130.	Ajbapur	344	0.259
131.	Ajbapur	342	0.259
132.	Ajbapur	343	0.479
133.	Ajbapur	222 M	0.300
134.	Ajbapur	344	0.195
135.	Ajbapur	351	0.116
136.	Ajbapur	516	1.460
137.	Ajbapur	351	0.114
138.	Ajbapur	344	0.200
139.	Ajbapur	502	0.010
140.	Ajbapur	504	0.450
141.	Ajbapur	503	0.144
142.	Ajbapur	502	0.010
143.	Ajbapur	513	0.200
144.	Ajbapur	244	0.500
145.	Ajbapur	152	0.500
146.	Ajbapur	398	1.550
147.	Ajbapur	500	0.850
148.	Ajbapur	407	0.950
149.	Ajbapur	439	0.340
150.	Ajbapur	397	2.460
151.	Ajbapur	352	0.437
152.	Ajbapur	354	0.141
153.	Ajbapur	355	0.647
154.	Ajbapur	356	0.141
155.	Ajbapur	363	0.499
156.	Ajbapur	241	0.479
157.	Ajbapur	212 M	0.546
158.	Ajbapur	242	0.479
159.	Ajbapur	403	1.694
160.	Ajbapur	243	0.479
161.	Ajbapur	364	1.121
162.	Ajbapur	219	0.800
163.	Ajbapur	501 M	7.593
164.	Ajbapur	499	1.181
165.	Ajbapur	496	5.580

DESCRIPTION			AREA
Sr. No.	Village Name	Khasra No.	Area (in Acre)
166.	Ajbapur	494	3.507
167.	Ajbapur	467	0.988
168.	Ajbapur	464	1.087
169.	Ajbapur	465	0.430
170.	Ajbapur	469	0.477
171.	Ajbapur	492	1.186
172.	Ajbapur	471	2.384
173.	Ajbapur	472	0.506
174.	Ajbapur	473	0.506
175.	Ajbapur	470	0.958
176.	Ajbapur	404 M	0.249
177.	Ajbapur	404 M	0.499
	LMC Land		
178.	Ajbapur	229	0.069
179.	Ajbapur	380	0.040
180.	Ajbapur	461	0.180
181.	Ajbapur	297	0.220
182.	Ajbapur	298	0.751
183.	Ajbapur	387	0.138
184.	Ajbapur	405	0.190
185.	Ajbapur	468	0.069
186.	Ajbapur	498	0.188
187.	Ajbapur	372	0.030
188.	Ajbapur	374	0.049
189.	Ajbapur	377	0.069
190.	Ajbapur	396	0.489
191.	Ajbapur	399	0.010
192.	Ajbapur	408	0.030
193.	Ajbapur	495	0.020
194.	Ajbapur	476	0.141
195.	Ajbapur	500	0.850
196.	Ajbapur	407	0.950
197.	Ajbapur	439	0.340
198.	Land at Gujrat	Block No. 183	0.490



## Rupapur Sugar Complex

Sl. No.	DESCRIPTION		AREA	
	Khasra No.	Name of Village	In Hectares	In Acres
199.	983	Swaijpur	0.10	0.25
200.	984	Swaijpur	0.15	0.38
201.	985K	Swaijpur	0.13	0.33
202.	985KHA	Swaijpur	0.13	0.33
203.	986	Swaijpur	0.11	0.26
204.	987	Swaijpur	0.14	0.34
205.	988	Swaijpur	0.37	0.90
206.	989	Swaijpur	0.24	0.59
207.	990K	Swaijpur	0.08	0.20
208.	990KHA	Swaijpur	0.08	0.20
209.	991K	Swaijpur	0.18	0.44
210.	991KHA	Swaijpur	0.18	0.44
211.	993	Swaijpur	0.08	0.19
212.	994	Swaijpur	0.13	0.31
213.	995	Swaijpur	0.04	0.09
214.	997	Swaijpur	0.04	0.09
215.	998	Swaijpur	0.13	0.31
216.	999	Swaijpur	0.25	0.63
217.	1001K	Swaijpur	0.23	0.56
218.	1001KHA	Swaijpur	0.23	0.56
219.	1002M	Swaijpur	0.39	0.97
220.	1002	Swaijpur	0.51	1.25
221.	1003	Swaijpur	0.34	0.84
222.	1004	Swaijpur	0.15	0.38
223.	1005	Swaijpur	0.08	0.19
224.	1006	Swaijpur	0.03	0.06
225.	1007	Swaijpur	0.03	0.06
226.	1009KHA	Swaijpur	0.06	0.14
227.	1010	Swaijpur	0.13	0.31
228.	1011K	Swaijpur	0.03	0.06
229.	1011KHA	Swaijpur	0.04	0.09
230.	1014	Swaijpur	0.34	0.84
231.	1016	Swaijpur	0.04	0.09
232.	1017	Swaijpur	0.15	0.38
233.	1018	Swaijpur	0.43	1.06
234.	1019	Swaijpur	0.08	0.19
235.	1021	Swaijpur	0.65	1.59
236.	1023	Swaijpur	0.89	2.19
237.	1028	Swaijpur	0.89	2.19
238.	1029K	Swaijpur	0.89	2.19



Sl. No.	DESCRIPTION		AREA	
	Khasra No.	Name of Village	In Hectares	In Acres
	Free hold Gram Sabha Land			
239.	992	Swaijpur	0.60	1.48
240.	1000	Swaijpur	1.02	2.53
241.	1002	Swaijpur	0.10	0.25
242.	1008	Swaijpur	0.05	0.13
243.	1015	Swaijpur	0.39	0.97
244.	1020	Swaijpur	0.05	0.13
245.	148	Rahtaura	1.12	2.76
246.	150	Rahtaura	0.18	0.45
247.	151	Rahtaura	0.16	0.41
248.	132	Rahtaura	0.04	0.09
249.	142	Rahtaura	0.25	0.63
250.	146	Rahtaura	0.29	0.72
251.	152	Rahtaura	0.14	0.35
252.	299	Rahtaura	0.19	0.46
253.	307	Rahtaura	0.62	1.52
254.	188	Rahtaura	0.06	0.16
255.	137	Rahtaura	0.09	0.22
256.	247	Rahtaura	0.01	0.03
257.	259	Rahtaura	0.02	0.05
258.	299	Rahtaura	0.19	0.46
259.	210K	Rahtaura	0.06	0.16
C)				
260.	1026	Munder	0.46	1.13
261.	1027	Munder	0.10	0.25
262.	1024	Munder	0.70	1.73
263.	212	Rahtaura	0.41	1.00
264.	179	Rahtaura	0.41	1.00
265.	210M	Rahtaura	0.41	1.00
266.	317	Munder	0.36	0.90
267.	288M	Munder	0.41	1.00
268.	350	Munder	0.94	2.33
269.	981M	Munder	0.11	0.28
270.	137Kha	Rahtaura	0.09	0.22
271.	247	Rahtaura	0.01	0.03
272.	259	Rahtaura	0.02	0.05
273.	299	Rahtaura	0.37	0.91
274.	164	Rahtaura	0.10	0.25
275.	302	Rahtaura	0.05	0.12
276.	303	Rahtaura	0.05	0.12
277.	304	Rahtaura	0.08	0.20

Sl. No.	DESCRIPTION		AREA	
	Khasra No.	Name of Village	In Hectares	In Acres
278.	305	Rahtaura	0.04	0.09
279.	355	Rahtaura	0.08	0.19
280.	721K	Rahtaura	0.06	0.16
281.	723	Rahtaura	0.08	0.19
282.	728K	Rahtaura	0.01	0.03
283.	684	Rahtaura	0.09	0.23
284.	199	Rahtaura	0.06	0.14
285.	200	Rahtaura	0.04	0.10
286.	201	Rahtaura	0.02	0.06
287.	67K	Rahtaura	0.13	0.31
288.	714	Rahtaura	0.20	0.50
289.	356	Rahtaura	0.09	0.22
290.	684	Rahtaura	0.09	0.23
291.	32	Amirata	0.23	0.57
292.	45	Amirata	0.03	0.07
293.	52	Amirata	0.07	0.18
294.	53	Amirata	0.10	0.23
D)	Freehold (pending registration)			
295.	171	Rahtaura	0.01	0.03
296.	172	Rahtaura	0.14	0.34
297.	173	Rahtaura	0.01	0.03
298.	174	Rahtaura	0.25	0.62
299.	165	Rahtaura	0.13	0.32
300.	169	Rahtaura	0.01	0.03
301.	258	Rahtaura	0.24	0.59
302.	257	Rahtaura	0.31	0.77
303.	175	Rahtaura	0.24	0.60
304.	250	Rahtaura	0.01	0.03
305.	258	Rahtaura	0.01	0.03
306.	266	Rahtaura	0.07	0.18
307.	144	Rahtaura	0.01	0.01
308.	145	Rahtaura	0.01	0.01
309.	156	Rahtaura	0.12	0.31
310.	187	Rahtaura	0.12	0.29
311.	188K	Rahtaura	0.04	0.09
312.	248	Rahtaura	0.04	0.09
313.	255	Rahtaura	0.03	0.08
314.	296	Rahtaura	0.15	0.36
315.	264	Rahtaura	0.08	0.19
316.	267	Rahtaura	0.19	0.48
317.	186	Rahtaura	0.09	0.22
318.	175	Rahtaura	0.06	0.15

Sl. No.	DESCRIPTION		AREA	
	Khasra No.	Name of Village	In Hectares	In Acres
319.	119	Rahtaura	0.16	0.39
320.	245	Rahtaura	0.04	0.09
321.	130	Rahtaura	0.03	0.06
322.	157	Rahtaura	0.14	0.34
323.	261	Rahtaura	0.05	0.13
324.	263	Rahtaura	0.08	0.20
325.	256	Rahtaura	0.14	0.34
326.	177	Rahtaura	0.32	0.78
327.	260	Rahtaura	0.16	0.41
328.	210Kha	Rahtaura	0.03	0.08
329.	308	Rahtaura	0.71	1.75
330.	397	Rahtaura	0.05	0.11
331.	309	Rahtaura	0.04	0.11
332.	2	Rahtaura	0.32	0.78
333.	43	Rahtaura	0.04	0.09
334.	45	Rahtaura	0.14	0.34
335.	28	Rahtaura	0.13	0.31
336.	197	Rahtaura	0.09	0.23
337.	226	Rahtaura	0.65	1.60
338.	310	Rahtaura	0.22	0.55
339.	276	Rahtaura	0.21	0.51
340.	177	Rahtaura	0.19	0.47
341.	119	Rahtaura	0.16	0.39
342.	245	Rahtaura	0.04	0.09
343.	130	Rahtaura	0.03	0.06
344.	162	Rahtaura	0.13	0.31
345.	205	Rahtaura	0.11	0.28
346.	192	Rahtaura	0.55	1.35
347.	194	Rahtaura	0.01	0.03
348.	251	Rahtaura	0.14	0.34
349.	260	Rahtaura	0.03	0.08
350.	265	Rahtaura	0.04	0.09
351.	51	Rahtaura	0.19	0.47

**PART-II**

(A SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE  
TRANSFEROR COMPANY)

All those pieces and parcels of lands or grounds situated at Swaijpur, State of Uttar Pradesh as detailed below :

Sl. No.	DESCRIPTION		AREA	
	KHASRA NO.	VILLAGE	IN HECTARES	IN ACRES
1.	982	Swaijpur	5.53	13.66
2.	987	Swaijpur	1.83	4.53
3.	992	Swaijpur	5.87	14.49
4.	996	Swaijpur	0.10	0.25
5.	1000	Swaijpur	2.40	
6.	1002	Swaijpur	5.27	13.03
7.	1022	Swaijpur	0.89	2.19
8.	1024	Swaijpur	6.11	15.10

**PART - III**

(A SHORT DESCRIPTION OF ALL STOCKS, SHARES, DEBENTURES AND OTHER  
CHARGES IN ACTION OF THE TRANSFEROR COMPANY)

NIL

(BY ORDER OF THE COURT)

DATED THIS THE 5TH DAY OF MAY, 2004.

Sd/-  
JOINT REGISTRAR (CO.)  
FOR REGISTRAR

**IN THE HIGH COURT OF DELHI AT NEW DELHI**

(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF AMALGAMATION/ARRANGEMENT

BETWEEN

COMPANY PETITION NO. 32/2004

CONNECTED WITH

COMPANY APPLICATION NO. (M) 161/2003

IN THE MATTER OF

M/s. DCM Shriram Consolidated Ltd.  
 having its Registered Office at  
 6th Floor, Kanchenjunga Building,  
 18, Barakhamba Road,  
 New Delhi - 110 001

.....Petitioner  
 Transferor Company

AND

IN THE MATTER OF

M/s. DSCL Energy Services Co. Ltd.  
 having its Registered Office at  
 6th Floor, Kanchenjunga Building  
 18, Barakhamba Road,  
 New Delhi - 110 001

.....Petitioner  
 Transferee Company

AND

IN THE MATTER OF

M/s. Ghaghara Sugar Ltd.  
 having its Registered. Office at  
 6th Floor, Kanchenjunga Building  
 18, Barakhamba Road,  
 New Delhi - 110 001

.....Non Applicant

BEFORE THE HON'BLE MR. JUSTICE S. K. AGARWAL

DATED THIS THE 5TH DAY OF MAY 2004

**ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956**

The above petition coming on for hearing on 5/5/2004 for section of the scheme of arrangement comprising of two stages, I being the demerger of a part of the business of DCM Shriram Consolidated Ltd. (hereinafter referred as the Transferee Company) to DSCL Energy Services Co. Ltd. (hereinafter referred to as the Transferee Company) and stage II it being in the nature of amalgamation of Ghaghara Sugar Ltd. with DCM Shriram Consolidated Ltd. upon reading the said petition, the order dated 17/12/2003 whereby the requirement of convening the meetings of the shareholders and creditors of the Transferee Company was dispensed with. However, the Transferor Company was ordered to convene a meeting of its shareholders and secured creditors and unsecured creditors for the purpose of considering, and if thought fit, approving, with or without modification, the scheme of arrangement annexed to the affidavits of Sh. B.L. Sachdeva, authorised signatory of the Petitioner Company filed on



the 16th day of December, 2003 and the publication in newspapers namely (1) Statesman (English) and Jansatta (Hindi) both dated 8/1/2004 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dated 17/12/2003 the affidavit of Sh. B. L. Sachdeva filed on 30/01/2004 showing the publication and dispatch of the notices convening the said meetings, the reports of Chairman of the said meetings as to the result of the said meetings and upon hearing Ms. Kumkum Sen with Mr. Rajiv Kumar, advocates for the petitioner and Mr. R. K. Batta, Dy. Registrar of Companies in person and it appearing from the reports that the proposed scheme of arrangement has been approved unanimously without any modification by the said shareholders and creditors of the Transferor Company present and voting either in person or by proxy and upon reading the affidavit dated 16/3/2004 of Sh. U.C. Nahata, Regional Director, Northern Region, Department of Company Affairs, Kanpur on behalf of Central Government stating inter-alia that the Central Government has no objection to the proposed scheme of arrangement and there being no investigation proceedings pending in relation to the petitioner companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT setforth in Schedule-I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor Company and Transferee Company and all concerned and doth approve the said scheme of arrangement from the appointed date 01 /04/2003.

**AND THIS COURT DOTH FURTHER ORDER:**

1. That all the property, rights and powers of ESCO Business of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the ESCO Business of the Transferor company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same and
2. That all the liabilities and duties of the ESCO Business of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall be pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company and;
3. That all the proceedings now pending by or against the Transferor Company in relation to ESCO Business be continued by or against the Transferee Company and;
4. That the Transferee Company do without further application allot such members of the Transferor Company as is required by Clause 11 of Part III of the said scheme given in the scheme of arrangement herein the shares in Transferee company to which they are entitled under the said arrangement ; and
5. That the Transferee Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration.
6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

**SCHEME OF ARRANGEMENT****BETWEEN****DCM SHRIRAM CONSOLIDATED LIMITED****AND****DSCL ENERGY SERVICES COMPANY LIMITED****AND****GHAGHARA SUGAR LIMITED****PART- I****DEFINITIONS:**

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

1. "Act" means the Companies Act, 1956 or any amendments thereto or reenactment thereof.
2. "Appointed Date" means the commencement of business on the 1st day of April, 2003 or such other date(s) as the Hon'ble High Court of Delhi may direct.
3. "DSCL" means DCM Shriram Consolidated Limited, a company incorporated under Indian Companies Act, 1956 registered on 6th February, 1989 having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001.
4. "DSCL Energy" means DSCL Energy Services Company Limited, a company incorporated under Indian Companies Act, 1956 registered on 27th August, 1998 having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001.
5. "Effective Date" means the date or the last of the dates on which the certified copies of the order (s) of the Hon'ble High Court of Delhi at New Delhi are filed with the appropriate Registrar of Companies, by all the companies viz. DSCL, DSCL Energy and GSL.
6. "ESCO Business" shall mean the consultancy and services business in the field of energy management, including services such as cost reduction studies, feasibility studies, energy audit, turn key contracts etc., to be transferred as a going concern on a slump sale basis to DSCL Energy as further described in Stage I hereto. ESCO

Business shall mean and include:

(a). all agreements, contracts, approvals, permissions, consents, exemptions, leases, no objection certificates and certifications, permits, quotas, rights, entitlements, tenancies, trademarks, know-how, technical know-how, trade names, descriptions, trading style, designs, patents, copyrights, privileges and any rights, title or interest in, Intellectual Property Rights, benefits of contracts, agreements and all other rights including lease rights, licenses including those relating to trademarks, powers, entitlements, industrial and other licences (and/ or conditions attached thereto) registrations, brand names, import/export quotas, telephones, telexes, facsimile and communication facilities and equipments, electricity and other such connections, rights, benefits of every kind, nature and description whatsoever of ESCO Business of DSCL;

#### **Schedule 1A**

(b). all the properties, facilities and assets, moveable and immoveable (as described in Schedule IA), tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent on or of whatsoever nature, wherever situated as on the Appointed Date together with all present and future liabilities including any contingents/statutory liabilities and debts of ESCO Business of DSCL, as per the records of DSCL;

(c). all employees of ESCO Business of DSCL;

(d). all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of ESCO Business of DSCL;

#### **Schedule IIA**

(e). all the assets, debts, loans, liabilities, duties, responsibilities and obligations of ESCO Business of DSCL on the Appointed Date as identified in the last balance sheet of the ESCO Business of DSCL as at 1.4.2003 and described in Schedule IIA hereto.

(f). all immovable assets, whether freehold, leasehold or otherwise, including all buildings, fixtures, structures, plants, machineries and/or any other developments or rights and facilities related thereto of ESCO Business of DSCL.

7. "GSL" means Ghaghara Sugar Limited, a company incorporated under Indian Companies Act, 1956 registered on 11th March, 1983 being a wholly owned subsidiary of DSCL carrying on the business of manufacture and sale of sugar and cogeneration of power having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001. GSL shall mean and include:

(a). all contracts, approvals, permissions, consents, release orders, exemptions, registrations, no-objection certificate and certifications, permits, quotas, rights, entitlements, tenancies, trademarks, know-how, technical know-how, trade names, descriptions, trading style, franchise, labels, label designs, colourschemes, utility models, holograms, bar codes, designs, patents, copyrights, privileges and any rights, title or interest in intellectual Property Rights, benefits of contracts, agreements and

area reservations, incentive schemes, including sugar incentive schemes and all other rights including lease rights, brand names, import/export quotas, telephones, telexes, facsimile, and communication facilities and equipments, electricity and other such connections, rights, licenses including those relating to trade marks, powers and facilities of every kind, nature and description whatsoever of GSL.

### **Schedule IB**

(b). all the properties and assets, movable and immovable, (as described in Schedule IB) leasehold and freehold, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent on or of whatsoever nature, wherever situated as on the Appointed Date together with all present and future liabilities including any contingents/ statutory liabilities and debts and undertakings of GSL, as per the records of GSL;

(c). all employees of GSL;

(d). all application monies, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of GSL;

### **Schedule IIB**

(e). all the assets, debts, loans, liabilities, duties, responsibilities and obligations of GSL on the Appointed Date as identified in the last audited balance sheet of GSL as at 1st April, 2003 and described in Schedule IIB hereto.

(f). all immovable assets, whether freehold, leasehold or otherwise, including all buildings, fixtures, structures, plant machinery, depots, warehouses and / or any other developments or rights and facilities related thereto of GSL.

### **Schedule IIIA**

8. "Reference Balance Sheet I" means the Balance Sheet of DSCL as on the Appointed Date prepared after reconstruction of accounts of DSCL, after demerger of ESCO Business and amalgamation of GSL as at 1st April, 2003, as reflected in Schedule III A.

### **Schedule IIIB**

8A. "Reference Balance Sheet II" means the Balance Sheet of DSCL Energy as, on the Appointed Date prepared after the transfer of the ESCO Business as at 1st April 2003 as reflected in Schedule III B.

9. "Scheme" means the Scheme of Arrangement, Reconstruction and Reorganization of capital involving dermerger of the ESCO Business of DSCL to DSCL Energy and



the subsequent amalgamation of GSL with DSCL in a two stage scheme with any amendment/modifications approved or imposed or directed by the Hon'ble High Court of Delhi.

10. Stage-I means the Scheme of Arrangement, Reconstruction and Reorganisation of Capital in the nature of demerger by way of slump sale of ESCO Business, a part of the business of DSCL into a separate Company DSCL Energy in its present form with any amendment/ modifications as approved or directed by the Hon'ble High Court.
11. Stage-II means the Scheme of Arrangement and Reconstruction in the nature of amalgamation between DSCL, being the Transferee Company and its wholly owned subsidiary, GSL, being the Transferor Company in its present form with any amendment/modifications as approved or directed by the Hon'ble High Court.
12. "The Transferor Company" with regard to Stage-I means DSCL.
13. "The Transferor Company " with regard to Stage-II means GSL.
14. "The Transferee Company" with regard to Stage-I means DSCL Energy.
15. "The Transferee Company" with regard to Stage-II means DSCL.

## **PART-II**

### **PREAMBLE**

WHEREAS DCM Shriram Consolidated Limited (DSCL) is a company incorporated under the Companies Act, 1956 having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001, inter alia, carrying out business in various fields such as fertilizers, chemicals, plastics, power, cement, textiles, energy services and merchandising, many of these businesses being manufacture and/or sale of commodities.

AND WHEREAS DSCL Energy Services Company Limited (DSCL Energy) is a subsidiary company of DCM Shriram Credit & Investments Ltd. (DSCIL) which in turn is a wholly owned subsidiary company of DSCL. DSCL Energy has an object to carry on the business of service provider for energy efficiency projects as designer/consultant/operator on BOT, BOOT, BOOM basis in industry, building complexes including hotels, hospitals, entertainment and recreation centers, transportation, mining and mineral extractions and agricultural operations. DSCL Energy is having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001.

AND WHEREAS Ghaghara Sugar Limited (GSL) is a company having its registered office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110 001 and is a wholly owned subsidiary of DSCL and carrying on the manufacturing and sale of sugar and cogeneration of power.



AND WHEREAS GSL and DSCL Energy are controlled by DSCL and the entire shareholding in them is held directly and/or indirectly by DSCL.

AND WHEREAS the present Scheme of Arrangement and Reconstruction is being contemplated in two Stages i.e. Stage I and Stage II.

AND WHEREAS Stage I means that part of the Scheme of Arrangement and Reconstruction which involves the demerger of ESCO Business of DSCL to DSCL Energy in order to segregate the energy management and services related business which inter alia, includes providing feasibility studies, energy audit, turn key performance contracts etc. This would facilitate technological input/alliances with leading foreign and national providers. The consideration for the transfer by way of slump sale of the ESCO Business will be discharged by issue of 17,33,200 equity shares at par of Rs.10/- each fully paid up aggregating to Rs. 1,73,32,000 by DSCL Energy to DSCL.

AND WHEREAS it is the expectation of the Board of Directors of both the companies that as the ESCO Business pertains to the service sector which has different dynamics as opposed to manufacturing sector, the proposed arrangement would result in clear business focus in as much as DSCL Energy will have a separate management, which can then pursue its independent management and growth strategies.

AND WHEREAS DSCL has arrived at an arrangement to demerge the ESCO Business on a slump sale and as a going concern basis to DSCL Energy, and both DSCL and DSCL Energy shall make the requisite application jointly before the Hon'ble High Court of Delhi at New Delhi under Section 391 and 394 of the Companies Act, 1956 for sanction of the Scheme of Arrangement.

AND WHEREAS Stage II of the Scheme is in the nature of amalgamation of Ghaghara Sugar Limited, a wholly owned subsidiary company of DSCL with DSCL. STAGE II shall come into effect only after Stage I is completed.

AND WHEREAS the Stage-II of Scheme proposes to amalgamate GSL with DSCL. The object of the Scheme of arrangement is to integrate operations and take advantage of the combined resources of the amalgamating companies.

AND WHEREAS the both GSL and DSCL are having common objects in the agri related business. The proposed amalgamation will bring the agri related businesses under one single entity, which will facilitate in deriving the synergistic benefit.

AND WHEREAS, Stage-II of the Scheme will strengthen and consolidate the position of DSCL and will enable it post merger to participate more vigorously and profitably in an increasingly competitive and liberalised market. The amalgamated Company will be in a position to have a higher growth rate, as the sugar business is the highest growing business of the Group.

AND WHEREAS, Stage-II of the Scheme will enable the management of GSL and DSCL to combine and pool the resources of both the Companies for their common advantage, further growth and consolidation of business, particularly as GSL is a wholly owned subsidiary of DSCL, as well as rationalise and streamline their business and finance and eliminate duplication of work, to common advantage.

AND WHEREAS the arrangement will further enable the amalgamated entity to raise funds from the financial institutions on better terms. The combination will result in strong financial structure, facilities resource mobilisation, cash generation, financial consolidation, and bring down overheads. The synergy of the amalgamation will improve operational efficiency, integrated management functioning and will enhance the share value for the benefit of shareholders of the existing entities.

AND WHEREAS to achieve all the above objectives and to make the requisite application jointly by DSCL, DSCL Energy and GSL before the Hon'ble High Court of Delhi at New Delhi under Section 391 and 394 of the Companies Act, 1956 for sanction of the Scheme of Arrangement.

AND WHEREAS the proposed Scheme shall be subject to approval of the respective requisite majorities of the Shareholders and Creditors of each of the Transferor and Transferee companies involved in Stage I and Stage II thereof and sanction by the Hon'ble High Court of Delhi pursuant to the relevant provisions of Companies Act, 1956.

AND WHEREAS the said Scheme of Arrangement is beneficial to all the Companies, their shareholders, creditors, employees and all concerned and will enable these Companies to achieve and fulfill their objective more efficiently and economically. The said Scheme will contribute in furthering and fulfilling the objects of the DSCL, GSL and DSCL Energy and in the growth and development of their businesses.

AND WHEREAS none of the Directors of DSCL, GSL of DSCL Energy have any material interest in the scheme except as shareholders in general, the extent of which will appear from the Directors shareholding maintained by these companies.

**STAGE -1**

**[The Demerger of ESCO Business of DSCL (Transferor)  
to DSCL Energy Services Company Limited (Transferee)]**

**PART-A****1. SHARE CAPITAL:**

- (a) The share capital structure of DSCL as on 31.3.2003 was as follows:

	Rs./lacs
<b>AUTHORISED</b>	<b>10,500.00</b>
4,00,00,000 Equity shares of Rs. 10/-each and 65,00,000 Preference shares of Rs.100/- each	
<b>ISSUED AND SUBSCRIBED</b>	
1,73,70,332 Equity shares of Rs.10/- each.	1,737.03
<b>PAID UP</b>	
1,73,70,332 Equity shares of Rs.10/-each. (excluding calls unpaid)	1,674.63

- (b) The share capital structure of DSCL Energy as on 31.3.2003 was as follows:

<b>AUTHORISED</b>	Rs.
49,000 Equity shares of Rs. 10/- each and 100 Redeemable Cumulative Preference shares of Rs.100/- each.	5,00,000.00
<b>ISSUED SUBSCRIBED AND PAID-UP</b>	
49,000 Equity shares of Rs.10/-each fully paid up	4,90,000.00
100 Redeemable Cumulative Preference shares of Rs.100/- each.	10,000.00
<b>Total</b>	<u>5,00,000.00</u>

**PART B****Transferred ESCO Business**

- 2.(a) With effect from the Appointed Date, the ESCO Business (including all the properties, assets, rights, title, interest and intellectual property rights, benefits, contracts, agreements, arrangements, licences pertaining to the ESCO Business) shall pursuant to Section 394 (2) of the Act and without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in DSCL Energy on a slump sale and on a going concern basis so as to become as and from the Appointed Date, properties, assets, rights, title, interest and intellectual property rights, benefits, contracts, agreements, arrangements licences, of DSCL Energy subject to the charges thereon, if any, in favour of banks and/or financial institutions.
- (b) All assets, estate rights, contracts, agreements, arrangements, title, interest and authorisations, licenses, approvals pertaining to the ESCO Business acquired by DSCL after the Appointed Date and prior to the Effective Date for operation of the ESCO Business shall also stand transferred to and vested in DSCL Energy upon the coming into effect of the Scheme and shall be appropriately transferred and vested in DSCL Energy.
3. (a) Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature relatable to the ESCO Business to which DSCL is a party or to the benefit of which DSCL may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of DSCL Energy and may be enforced as fully and effectually as if, instead of DSCL, DSCL Energy had been a party or beneficiary or obligee thereto.
- (b) Without prejudice to the other provisions of the Scheme and notwithstanding that the vesting of the ESCO Business with DSCL Energy occurs by virtue of this Scheme itself, DSCL Energy may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or documents with any party to any contract or arrangement to which DSCL is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. DSCL will, if necessary, also be a party to the above. DSCL Energy shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of DSCL and to carry out or perform all such formalities or compliances referred to above on the part of DSCL to be carried out or performed.
- (c) For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming in to affect of this Scheme, all consents, permissions, licenses, contracts, orders, certificates, powers of attorneys given by, issued to or executed in favour of DSCL and pertaining to the ESCO Business shall stand transferred to DSCL Energy, as if the same were originally given by, issued to or executed in favour of DSCL Energy, and the rights and benefits under the same shall be available to DSCL Energy.

- (d) It is hereby clarified that if any assets (estate, 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 ESCO Business, which DSCL owns or to which DSCL is a party cannot be transferred to DSCL Energy for any reason whatsoever then DSCL shall hold such asset or contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of DSCL Energy.
4. All the assets and liabilities pertaining to the ESCO Business shall be transferred at the values appearing in the books of DSCL at the close of business of the day immediately preceding the Appointed Date. These have been accepted by the Board of Directors of DSCL and DSCL Energy. DSCL Energy will discharge the payment by issue of 17,33,200 equity shares of Rs. 10/- each at par aggregating to Rs. 1,73,32,000 as set forth in the Reference Balance Sheet of DSCL Energy, as of April 1st, 2003 as is mentioned in Schedule III A hereto.
5. It is clarified that, upon the coming into effect of the Scheme, the assets & liabilities and obligations of DSCL as on the Appointed Date and being a part of the undertaking of the ESCO Business shall, without any further act or deed be and stand transferred to DSCL Energy, as on Appointed Date and shall become the asset, liabilities and obligations of DSCL Energy which shall meet, discharge and satisfy the same.
6. (a) Upon the coming into effect of the Scheme, all legal or other proceedings (including proceedings before any statutory or quasi-judicial authority or judicial/ administrative tribunal) by or against DSCL under any law pertaining to the ESCO Business whether pending on the Appointed Date, or which may be instituted any time in the future and in each case relating to the assets and liabilities transferred to DSCL Energy shall be continued and enforced by or against DSCL after the Effective Date. In the event that the legal proceedings referred to herein require both DSCL and DSCL Energy to be added as parties thereto, DSCL Energy shall be added as party to such proceedings and shall prosecute or defend such proceedings in co-operation with DSCL. In the event of any difference or difficulty in determining whether any specific legal or other proceeding relates to the ESCO Business or not, the decision of the Boards of Directors of DSCL and DSCL Energy as to whether such proceeding relates to the ESCO Business or not, shall be conclusive evidence of the relationship with the ESCO Business.
- (b) In respect of all the proceedings, that are taken against DSCL in respect of the matters referred to in sub-clause (a) above, DSCL shall defend the same.
- (c) DSCL Energy undertakes to have all legal or other proceedings initiated by or against DSCL on behalf of DSCL Energy in relation to the assets and liabilities transferred as are referred to in sub-clause (a) above, be transferred into its name after the Effective Date and to have the same continued, prosecuted and enforced by or against DSCL Energy to the exclusion of DSCL. Both companies shall make relevant application(s) in that behalf.



7. With effect from the Appointed Date and up to and including the Effective Date, DSCL:
    - (a) shall be deemed to have been carrying on all business and activities relating to the ESCO Business and stand possessed of all the estate, assets, rights, title, interest and authorities of the ESCO Business for and on account of, and in trust for, DSCL Energy; and
    - (b) all profits accruing to DSCL, or losses arising or incurred by it (including the effect of taxes if any thereon), relating to the ESCO Business shall for all purposes, be treated as the profits, taxes or losses, as the case may be, of DSCL Energy.
  8. DSCL undertakes that it will from the Appointed Date and up to and including the Effective Date preserve and carry on the ESCO Business with diligence, prudence and agrees that it will not, in any material respect without the prior written consent of DSCL Energy, alienate, charge or otherwise deal with or dispose of the ESCO Business or any part thereof, in each case except in the ordinary course of business.
  9. (a) DSCL Energy undertakes to engage, on and from the Effective Date, such of the employees of DSCL who are engaged in the ESCO Business and who are in the employment of DSCL as on such date, on terms and conditions not less favourable than those on which they are engaged by DSCL, without any interruption of service as a result of the transfer. DSCL Energy agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of such employees with DSCL shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
  - (b) In so far as the existing provident fund gratuity fund and pension and/or superannuation fund accumulations by DSCL for its employees with the Provident Fund Trusts, Pension Fund Trusts and other trusts (including employees of the ESCO Business) are concerned, the part of the funds referable to the employees of the ESCO Business who are being transferred shall be transferred to and continued by DSCL Energy for the benefit of such employees on the same terms and conditions. DSCL Energy shall make the necessary contributions for such employees being taken over by DSCL Energy.
- The Provident Fund accumulated upto the Effective Date in respect of the employees being taken over by DSCL Energy, lying either with DSCL or with the Provident Fund Trusts shall be transferred to the funds to be created and/or maintained by DSCL Energy or with the respective Provident Fund Trusts.
10. The transfer and vesting of the assets, liabilities and obligations of the ESCO Business under Clause 2 and the continuance of the proceedings by or against DSCL under Clause 6 hereof, shall not affect any transaction or proceedings already completed by DSCL on or before the Appointed Date and intent that DSCL Energy accepts all acts, deeds and things done and executed by and/or on behalf of DSCL as acts, deeds and things done and executed by and on behalf of DSCL Energy.

11. DSCL and DSCL Energy are expressly permitted to revise their Income Tax, Sales Tax, Service Tax and other statutory returns including without limitation, TDS certificates and the right to claim refund, advance tax credits etc., upon this Scheme becoming effective and have expressly reserved the right to make such revisions in the Income Tax returns and related TDS certificates and the right to claim refund, advance tax credits etc., pursuant to the sanction of this Scheme.
12. DSCL Energy undertakes to continue to abide by any agreements entered into by DSCL with the employees of DSCL in relation to the ESCO Business. DSCL Energy agrees that the service of all such employees with DSCL upto the Effective Date shall be taken into account for the purpose of all retirement benefits for which they may be eligible in DSCL. DSCL Energy further agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, such past service with DSCL, shall also be taken into the account and agrees and undertakes to pay the same as and when payable.
13. All income, receipts and gains of whatsoever nature and all expenses, payments and losses of whatsoever nature relating to the ESCO Business not accounted for or disclosed in the books of DSCL as on the Appointed Date, but pertaining to the period up to the Appointed Date shall be to the account of DSCL and any monies received or payments made or any income or expense accrued or any gains made or losses incurred by DSCL Energy in relation to such items shall be paid to or recovered from DSCL as the case may be. All continuing gains/losses, income/expenses, receipts/payments relating to the ESCO Business in respect of the period on and after the Appointed Date shall accrue to DSCL Energy's account only.

## **PART C**

### **OTHER MATTERS**

14. Treatment in the books of DSCL and DSCL Energy:
 

Upon coming into effect of the Scheme and on account of the demerger of the ESCO Business of DSCL to DSCL Energy with effect from the Appointed Date :-

  1. DSCL Energy shall discharge the consideration by issue of 17,33,200 equity shares of Rs. 10 each fully paid up amounting to Rs. 1,73,32,000 to DSCL.
  2. DSCL Energy shall, upon the transfer becoming effective, record the assets and liabilities of the ESCO Business of DSCL vested in it pursuant to this Scheme at the values, as appearing in the books of DSCL at the close of business of the day immediately preceding the Appointed Date.
  3. DSCL shall deduct the book value of the assets and liabilities pertaining to the ESCO Business that are vested with DSCL Energy pursuant to the Scheme in its books.
  4. DSCL shall record the value of its investments in DSCL Energy at the values referred to in clause 1 above.

- 15.(a). The equity shares to be issued and allotted by DSCL Energy in terms of Clause 4 above shall rank pari passu in all respects with the existing equity shares of DSCL Energy, and the new shareholder will be entitled to dividend (whether interim or final) for the accounting period commencing on the Appointed Date.
- (b). The holders of the shares of DSCL and DSCL Energy shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends.
- (c). It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of DSCL and/or DSCL Energy to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of DSCL and DSCL Energy and subject to the approval of the shareholders, where necessary, of DSCL and DSCL Energy respectively.

## **STAGE-II**

### **PART - A**

#### **SHARE CAPITAL**

1. The capital structure of DSCL and GSL as on 31st March, 2003 as parties to the present Scheme of Amalgamation, is as under:

- (a). The share capital structure of DSCL as on 31.3.2003 is as follows:

	Rs./lacs
<b>AUTHORISED</b>	<b>10,500.00</b>
4,00,00,000 Equity shares of Rs.10/- each	
and 65,00,000 Preference shares of Rs.100/- each	
<b>ISSUED AND SUBSCRIBED</b>	
1,73,70,332 Equity shares of Rs.10/- each.	1,737.03
<b>PAID-UP</b>	
1,73,70,332 Equity shares of Rs. 10/- each. (Excluding calls unpaid)	1,674.63

- (b). The share capital structure of GSL as on 31.3.2003 was as follows:

	Rs.
AUTHORISED	
4,00,00,000 Equity shares of Rs. 10/-each.	40,00,00,000.00
ISSUED SUBSCRIBED AND PAID-UP	
2,85,83,333 Equity shares of Rs. 10/-each	28,58,33,330.00

- (c). The Shareholding Pattern of the Transferor and the Transferee Companies are as under:

(1). GHAGHARA SUGAR LIMITED

The entire equity shareholding of GSL is held by DSCL.

(ii) DCM SHRIRAM CONSOLIDATED LIMITED

Shareholding Pattern as on 30.9.2003

Category	No. of Shares held	%age of Shareholding
A. PROMOTER'S HOLDING	84,96,318	51.21
1. Promoters		
Sub Total	84,96,318	51.21
B. NON-PROMOTER'S HOLDING		
2. Institutional Investors:-		
a. Mutual Funds and UTI	6,37,139	3.84
b. Banks, Financial Institutions, Insurance Companies, Central/State Government/Non-Govt. Institutions.	29,45,655	17.76
c. FIs	20,235	0.12
Sub Total	36,03,029	21.72
3. OTHERS		
a. Corporate Bodies	3,46,035	2.09
b. Indian Public	25,80,858	15.56
c. NRIs / OCBs	15,64,092	9.42
d. Any other	-	-
Sub Total	44,90,985	27.07
GRAND TOTAL	1,65,90,332	100.00



## PART - B

**AMALGAMATION OF GSL WITH DSCL**

1. With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking and the entire business of GSL shall without further act or deed be transferred to and be vested or deemed to have been transferred to and vested in DSCL by way of amalgamation pursuant to Sections 391(2) and 394(2) of the Act so as to become as and from the Appointed Date the estates, assets, rights, title, licenses and release orders, incentives including sugar cane incentives, cane reservation areas, interests and undertaking of DSCL, subject however, to all charges, liens, mortgages, created and /or registered in favour of any Bank, Financial Institutions, if any, then affecting the same or any part thereof.

Provided always that any reference in the security documents or arrangements to which GSL is a party, to the assets of GSL offered as security for any financial assistance or obligation, shall be construed as a reference to the assets pertaining to that undertaking of GSL only as are vested in DSCL by virtue of this Scheme and the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by GSL which shall vest in DSCL by virtue of the amalgamation. DSCL shall not be obliged to create any further or additional security thereof after the amalgamation has become effective or otherwise except in case where the required security has not been created and in such case, DSCL will create the security in terms of the issue or agreement in relation thereto.

Similarly, DSCL shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or facility availed or raised by it.

2. Any inter se contracts between GSL with DSCL shall stand adjusted and vest in DSCL upon the sanction of the Scheme and upon the Scheme becoming effective.
3. If any suit, actions, appeal or any other proceedings of whatever nature (herein after called "the proceedings") by or against GSL be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of GSL or anything contained in this Scheme, and the proceedings may be continued, prosecuted and enforced by or against DSCL in the same manner and to the same extent as it would be or might have been continued, prosecuted and enforced by or against GSL if this Scheme had not been made.
4. The transfer and vesting of the business of GSL under Clause 1 hereof and the continuance of the proceedings by or against DSCL under Clause 3 hereof shall not affect any transaction or proceeding already concluded by GSL on or after the Appointed Date to the end and intent that DSCL accepts and adopts all acts, deeds and things done and executed by or on behalf of GSL as acts, deeds and things done and executed by or on behalf of DSCL.

5. Subject to the provisions contained in this Scheme, all contracts, deeds, bonds, agreements, licences and other documents and instruments of whatsoever nature to which GSL is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of DSCL and may be enforced as fully and effectively, as if instead of GSL, DSCL had been a party thereto.
6. With effect from the 'Appointed Date' upto the 'Effective Date' :-
  - (a) GSL shall carry on and shall be deemed to have carried on all its business and activities in respect of the Undertaking and stand possessed of its properties and assets for and on account of and in trust for DSCL;
  - (b) All the profits or incomes accruing or arising to GSL or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by GSL shall for all purposes be treated and be deemed to be and accrued as, the profits or incomes or expenditure or losses of DSCL, as the case may, be;
  - (c) GSL shall carry on its business activities in relation to the undertaking under reasonable diligence, utmost business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts, or incur any other liabilities or expenditure, issue any additional guarantee, indemnities, letter of comfort or commitments, either for itself or on behalf of its subsidiaries, if any, or group Companies or any third party, or save as expressly permitted by this Scheme, alienate, charge, mortgage, encumber or otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, or without the consent of DSCL or pursuant to any pre-existing obligation undertaken by GSL prior to the Appointed Date;
  - (d) DSCL shall also be entitled, pending the sanction of the Scheme to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law (including without limitation, under the Industries (Development & Regulation) Act, 1951, Monopolies and Restrictive Trade Practices Act, 1969, Transfer of Property Act, 1973 etc.) for such consent, approvals and sanctions which DSCL, may require;
  - (e) Save as specifically provided in this Scheme, neither GSL nor DSCL shall make any change in its capital structure either by any increase, ( by issue of rights shares, equity or preference shares, bonus shares, convertible debentures or otherwise ) decrease, reduction, re-classification, sub division or consolidation, re - organisation, or in any other manner.
7. The borrowing limits of DSCL in terms of Section 293(1)(d) of the Act, shall without further act, instrument, permission, consent, approval or deed stand enhanced as required by an amount equivalent to the authorised borrowings limits of GSL, such limits being incremental to the existing limits of DSCL.
8. All the loans and advances extended or notes issued by DSCL to GSL and vice - versa shall stand cancelled and GSL and DSCL, as the case may be, shall have no further obligation in that behalf.

9. GSL and DSCL shall be entitled to declare and pay dividends, whether interim or final in respect of the accounting period prior to the effective Date.
10. DSCL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise execute deeds, confirmations or other writings or separate arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. DSCL under the provisions of this Scheme is hereby authorized and shall be deemed to be authorized to execute any such writings on behalf of GSL and to carry out or perform all such formalities or compliances referred to above on the part of GSL to be carried out or performed.

### **PART - C**

GSL being a 100% subsidiary of DSCL, the share capital of Rs. 28,58,33,330/- and amounts lying in the share premium account of Rs.41,66,66,660/- of GSL will be adjusted and stands cancelled. On the "Effective Date" Equity Shares of GSL held by DSCL will be cancelled i.e. shares issued by GSL shall stand cancelled as of the Appointed Date, and shall be of no effect, and GSL shall have no further obligations outstanding in that behalf.

All assets and liabilities of GSL shall become the assets and liabilities of DSCL as though the same has been created in the books of DSCL.

### **PART -III**

#### **SHARE ALLOTMENT/REORGANISATION OF SHARE CAPITAL AND SHARE PREMIUM ACCOUNT**

11. DSCL Energy shall discharge the obligation for consideration to DSCL by way of issue of 17,33,200 equity shares of Rs. 10/- each at par. The Schedule IV A is annexed hereto for the shareholding pattern pursuant to the allotment of the above shares.
12. GSL being a 100% subsidiary of DSCL, the share capital of Rs. 28,58,33,330/- and amounts lying in the share premium account of Rs.41,66,66,660/- of GSL will be adjusted and stands cancelled. On the 'Effective Date' Equity Shares of GSL held by DSCL will be cancelled i.e. shares issued by GSL shall stand cancelled as of the Appointed Date, and shall be of no effect, and GSL shall have no further obligations outstanding in that behalf.
13. As an integral part of the restructuring and with a view to enhance shareholder's value through improvement in future profitability and consequent increase in earnings per share, the accumulated losses appearing in the balance sheet of the Company as on 31st March, 2003 amounting to Rs.9.43 crs. shall be written off against the balance in the Share Premium Account of Rs. 88.75 crs. In DSCL, subject to the orders of this High Court. Further, the difference between investment in books of DSCL and total of Share Capital and Reserve and Surplus in books of GSL amounting

to Rs.28 lacs shall also be written off against the balance in share premium Account of Rs.88.75 crs. in DSCL.

14. The Reference Balance Sheet I constitutes the reconstructed balance sheet of DSCL pursuant to the demerger of the ESCO Business, adjustment of the share premium account and the amalgamation with GSL as on the Appointed Date. The Schedule IVB is annexed hereto for the shareholding pattern of DSCL.
15. Upon the Scheme becoming effective, DSCL and DSCL Energy are expressly permitted to revise the sales tax returns, service tax returns, and other statutory returns and to claim refund/credits etc. on the basis of the Reference Balance Sheet, becoming effective on the Appointed Date pursuant to the terms of this Scheme and its right to make such revisions in the Sales Tax returns, service tax returns, and other statutory returns and to claim refund/credits is expressly reserved.
16. It is expressly clarified that upon the Scheme becoming effective all taxes payable by GSL from the appointed date onwards including all or any refunds of the claims shall be treated as the tax liability or refunds/claims as the case may be of DSCL.
17. DSCL and DSCL Energy are expressly permitted to revise its Income-tax returns and related TDS Certificates and to claim refunds, advance tax credits, adjustment/credit of brought forward losses etc. on the basis of the Reference Balance Sheet as above, becoming effective on the Appointed Date and its right to make such revisions in the Income-tax returns and related TDS Certificates and the right to claim refunds, advance tax credits, adjustment/credit of brought forward losses pursuant to the sanction of this Scheme and the Scheme becoming effective is expressly granted.
18. All the employees of GSL shall become the employees of DSCL without interruption in service and on terms no less favourable to them than those then applicable to them on the Effective Date. It is expressly provided that the Provident Fund, Gratuity Fund etc. created or existing for the benefit of the employees of GSL shall stand substituted by DSCL.
19. Upon the Scheme becoming effective and subject to an order being made by the Hon'ble High Court of Delhi under Section 394 of the Act, GSL shall stand dissolved without winding up as and from the effective date or such date as the said Hon'ble High Court may direct.
20. DSCL and DSCL Energy shall make suitable alterations, if required to their respective Memorandum and Articles of Association for proper implementation of this Scheme.

#### **PART - IV**

#### **GENERAL TERMS AND CONDITIONS**

1. The cancellation of the shares under the provisions of this Scheme of the Shareholders will be made subject to any approval of statutory and Governmental authorities, as applicable.

2. The Books of account of DSCL and DSCL Energy as on the Appointed Date would incorporate the above arrangement as accepted by the Board of Directors of the respective company. Reference Balance Sheet - I (of DSCL) as on the Appointed Date, after incorporating the above arrangements is enclosed as Schedule - III A. Reference Balance Sheet - II (of DSCL Energy) is enclosed as Schedule - III B. The assets and liabilities pertaining to the ESCO Business have been incorporated in the books of accounts of DSCL Energy at the book value as appearing in the books of DSCL as at the Appointed Date.
3. The Scheme is conditional upon and subject to the following:-
  - a) The Scheme being approved by the requisite majorities of the respective members /creditors of DSCL, GSL and DSCL Energy and it being sanctioned by the Hon'ble High Court of Delhi under Section 391 of the Act and the appropriate orders being made by the said High Courts pursuant to Section 394 of the Act for effecting Scheme of Arrangement and reconstruction and the implementation of the Scheme.
  - b) The certified copies of the Order of the Hon'ble High Court of Delhi have been filed with the Registrar of Companies, NCT of Delhi & Haryana for DSCL, GSL and DSCL Energy.
4. DSCL, GSL and DSCL Energy shall make necessary applications to the Hon'ble High Courts of Delhi for obtaining the Hon'ble Court's sanction for this Scheme and for the consequent dissolution without winding up of GSL.
5. The Scheme although operative from the Appointed Date shall take effect finally and from the date on which any of the aforesaid sanctions or approvals or orders shall be last obtained, which shall be the Effective Date for the purpose of the scheme.
6. Until the Scheme is sanctioned and transfers effected as aforesaid and until DSCL is effectively able to take over and obtain all necessary transfer effected with the parties concerned, GSL shall carry on its business in usual course and shall be deemed to be carrying on the said business for and on behalf of and in trust for DSCL with effect from the Appointed Date.
7. DSCL ( by its Directors), GSL (by its Directors) and DSCL Energy ( by its Directors ) or any person authorised by them may assent from time to time on behalf of all persons concerned to any modifications or amendments of this Scheme or of any conditions or limitations which the respective Hon'ble High Courts and / or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary and / or expedient for the purpose of implementing this Scheme.
8. For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of DSCL, GSL and DSCL Energy may give and are authorised to give all such directions as are necessary including directions for settling any question or doubt or difficulty that may arise.



9. All costs, charges and expenses in relation to or in connection with this Scheme and incidental thereto shall be borne and paid by DSCL.
10. The Board of Directors of DSCL, GSL and DSCL Energy shall be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any Authority is unacceptable to them.
11. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person and all income, profits, costs, charges and expenses or loss of ESCO Business with effect from the Appointed Date shall continue be to the account of the DSCL, and of GSL shall continue to be the account of GSL.
12. Upon the sanction of the Scheme and after the Scheme has become effective, with effect from the Appointed Date, the following shall be deemed to have occurred in the sequence and in the order provided:
- (i) the demerger of the ESCO Business as going concern basis to DSCL Energy;
  - (ii) the amalgamation of GSL with DSCL;
  - (iii) the write-off of the accumulated losses of GSL against share premium account of DSCL and the write-off of the difference between the cost of investment in GSL in the books of DSCL and paid up share capital and share premium of GSL against share premium account of DSCL.
13. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and/or any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to the sole arbitration of Shri Ajay S. Shriram or Dr.S.S.Baijal as may be mutually agreed by Board or Directors of all the Companies, whose decision shall be final and binding.

**DCM SHRIRAM CONSOLIDATED LIMITED**  
**DSCL ENERGY SERVICES COMPANY LIMITED**  
**GHAGHARA SUGAR LIMITED**

SCHEDULE I (A)**DCM SHRIRAM CONSOLIDATED LIMITED****DETAILS OF IMMOVABLE PROPERTIES OF ESCO BUSINESS AS ON 31.3.2003 : NIL**SCHEDULE II (A)**DCM SHRIRAM CONSOLIDATED LIMITED****INDICATIVE REFERENCE BALANCE SHEET OF ESCO BUSINESS**  
**AS AT 31ST MARCH, 2003**Rs./Lacs.**Sources of Funds**

Funds from Head Office	
On current account	173.32
Finance lease liability	0.08
Total Funds Employed	<u>173.40</u>

**Application of Funds**

Fixed Assets	
Gross block	70.78
Less : Depreciation	24.75
Net block	<u>46.03</u>

**Current assets, loans and advances**

Sundry debtors	127.28
Cash and bank balances	1.95
Loans and Advances	10.92
	<u>140.15</u>

**Less: Current liabilities and provisions**

Current liabilities	1.40
Provisions	11.38
	<u>12.78</u>

Net Current assets 127.37

Total funds utilised 173.40

SCHEDULE I (B)**GHAGHARA SUGAR LIMITED****Details of Immovable properties as on 31.3.2003**

<b>A. <u>Details of Land</u></b>	<b><u>Area (Acres)</u></b>	<b><u>Value (Rs.)</u></b>
Plot of Land at Ajbapur	164.75	43,493,429
Plot of Land at Gujarat	0.49	180,000
Plot of land at Rupapur - Free Hold	77.35	3,778,185
Plot of Land at Rupapur - Lease Hold	66.08	1,947,179
<b>Total</b>	<b>308.67</b>	<b>49,398,793</b>

**B. Buildings** Buildings and roads situated in the abovementioned Land**Book Value****Rs. 2710.05 Lacs**

SCHEDULE II (B)**GHAGHARA SUGAR LIMITED****INDICATIVE REFERENCE BALANCE SHEET**  
**AS AT 31ST MARCH, 2003**

Rs./Lacs.

**Sources of Funds**

Shareholders' funds	
Share Capital	2858.33
Reserves and surplus	4166.67
	<u>7025.00</u>
Loan funds	
Secured	11650.31
Unsecured	3088.02
	<u>14738.33</u>
Total funds employed	<u>21763.33</u>

**Application of Funds**

Fixed assets	
Gross block	15978.45
Less: Depreciation	2410.06
Net block	<u>13568.39</u>
Capital Work in progress	231.99
	<u>13800.38</u>
Investments	1.07
Current assets, loans and advances	
Inventories	8553.87
Sundry debtors	319.68
Cash and bank balances	370.23
Loans and Advances	206.45
	<u>9450.23</u>
Less: Current liabilities and provisions	
Current liabilities	2809.40
Provisions	74.73
	<u>2884.12</u>
Net Current assets	6566.10
Miscellaneous expenditure (to the extent not written-off or adjusted)	44.38
Profit & Loss account	942.98
Deffered Tax Assets	408.42
Total funds utilised	<u>21763.33</u>

SCHEDULE IIDCM SHRIRAM CONSOLIDATED LIMITEDINDICATIVE REFERENCE BALANCE SHEET AS ON APRIL 1, 2003

	Rs./Crs.
	After giving effect of Scheme of Arrangement
<b>Sources of Funds</b>	
Shareholders' funds	
Share capital	16.75
Reserves and surplus	288.22
	<u>304.97</u>
Loan funds	
Secured	459.08
Unsecured	75.69
	<u>534.77</u>
Deferred tax liabilities (net)	92.49
	<u>92.49</u>
Total funds employed	<u>932.23</u>
<b>Application of Funds</b>	
Fixed assets	
Gross block	829.00
Less: Depreciation	258.94
	<u>570.06</u>
Net block	570.06
Capital work in progress	37.32
	<u>607.38</u>
Investments	53.51
Current assets, loans and advances	0.00
Inventories	154.00
Sundry debtors	126.30
Cash and bank balances	11.75
Loans and advances	89.68
	<u>381.73</u>
Less: Current liabilities and provisions	
Current liabilities	84.95
Provisions	25.88
	<u>110.83</u>
Net current assets	270.90
Miscellaneous expenditure (to the extent not written-off or adjusted)	0.44
	<u>0.44</u>
Total funds utilised	<u>932.23</u>



## SCHEDULE III B

DCM SHRIRAM CONSOLIDATED LIMITEDINDICATIVE REFERENCE BALANCE SHEET AS ON APRIL 1, 2003

	Rs./Lacs.
	After giving effect of Scheme of Arrangement
<b>Sources of Funds</b>	
Shareholders' funds	
Share capital	178.32
Reserves and surplus	-0.21
	<u>178.11</u>
Loan funds	
Unsecured	0.08
Deferred tax liabilities (net)	
Total funds employed	<u>178.19</u>
<b>Application of Funds</b>	
Fixed assets	
Gross block	70.78
Less: Depreciation	24.75
Net block	<u>46.03</u>
Current assets, loans and advances	
Sundry debtors	127.28
Cash and bank balances	6.93
Loans and advances	10.92
	<u>145.13</u>
Less: Current liabilities and provisions	
Current liabilities	1.69
Provisions	11.38
	<u>13.07</u>
Net current assets	132.06
Miscellaneous expenditure (to the extent not written-off)	0.10
Total funds utilised	<u>178.19</u>

DSCL ENERGY SERVICES COMPANY LIMITED

Indicative Shareholding Pattern after demerger

S. No.	Name of Shareholder	No. of Equity Shares	% of total shareholding
1.	DCM Shriram Consolidated Ltd.	17,33,200	97.25
2.	DCM Shriram Credit & Investments Ltd.	48,993	2.75
3.	Shri Ajay S. Shriram	1	-
4.	Shri Vikram S. Shriram	1	-
5.	Shri Ajit S. Shriram	1	-
6.	Shri Rajiv Sinha	1	-
7.	Shri Gopal Chandra Dattaroy	1	-
8.	Shri Praveen Aggarwal	1	-
9.	Shri Ashok Kr. Nandwani	1	-
		17,82,200	100.00

## (ii) DCM SHRIRAM CONSOLIDATED LIMITED

## Indicative Shareholding Pattern

Category	No. of Shares held	%age of Shareholding
A.. PROMOTER'S HOLDING	84,96,318	51.21
1. Promoters		
Sub Total	84,96,318	51.21
B.. NON-PROMOTER'S HOLDING		
2.. Institutional Investors:-		
a.. Mutual Funds and UTI	6,37,139	3.84
b.. Banks, Financial Institutions, Insurance Companies, Central/State Government/Non-Govt. Institutions.	29,45,655	17.76
c.. FII's	20,235	0.12
Sub Total	36,03,029	21.72
3.. OTHERS		
a.. Corporate Bodies	3,46,035	2.09
b.. Indian Public	25,80,858	15.56
c.. NRIs / OCBs	15,64,092	9.42
d.. Any other	-	-
Sub Total	44,90,985	27.07
GRAND TOTAL	1,65,90,332	100.00

**SCHEDULE- II**

IN THE HIGH COURT OF DELHI AT NEW DELHI  
 ORIGINAL COMPANY JURISDICTION  
 COMPANY PETITION NO 32 OF 2004  
 CONNECTED WITH  
 COMPANY APPLICATION NO. 161 OF 2003  
IN THE MATTER OF:  
 SECTION 391 AND 394 OF THE COMPANIES ACT, 1956  
 AND  
IN THE MATTER OF:  
 SCHEME OF ARRANGEMENT  
 BETWEEN  
 DCM SHRIRAM CONSOLIDATED LIMITED  
 AND  
 DSCL ENERGY SERVICES COMPANY LIMITED  
 AND  
 GHAGHARA SUGAR LIMITED  
 AND IN THE MATTER OF

**DSCL ENERGY SERVICES COMPANY LIMITED (DSCL ENERGY)**

A company incorporated under the Companies Act, 1956 and having its Registered Office at 6th Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi- 110001.

..... Petitioner No. 1/Transferee Company

AND

**DCM SHRIRAM CONSOLIDATED LIMITED (DSCL)**

A company incorporated under the Companies Act, 1956 and having its Registered Office at 6th Floor, Kanchenjunga Building 18, Barakhamba Road, New Delhi-110001

..... Petitioner No. 2/Transferee Company

IN MATTER OF:

**GHAGHARA SUGAR LIMITED (GSL)**

A company incorporated under the Companies Act. 1956 and having its Registered Office at 6th Floor, Kanchenjunga Building 18, Barakhamba Road, New Delhi-110001

..... Non Petitioner

SHORT PARTICULARS OF ALL THE PROPERTY, RIGHTS & POWER OF THE TRANSFEROR COMPANY VIZ. DCM GHAGHARA SUGAR LIMITED (GSL) TO BE TRANSFERRED TO DCM SHRIRAM CONSOLIDATED LIMITED (DSCL) (TRANSFEREE COMPANY) IN PART I, PART II, AND PART III OF THE SCHEDULE (FORM NO. 42).

PART-I

(A SHORT DESCRIPTION OF THE FREEHOLD PROPERTY OF THE TRANSFEROR COMPANY)

NIL

PART-II

(A SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE TRANSFEROR COMPANY)

NIL

PART - III

(A SHORT DESCRIPTION OF ALL STOCKS, SHARES, DEBENTURES AND OTHER CHARGES IN ACTION OF THE TRANSFEROR COMPANY)

(BY ORDER OF THE COURT)

DATED THIS THE 5TH DAY OF MAY, 2004

Sd/-

JOINT REGISTRAR (CO.)  
FOR REGISTRAR



14-09-2004

Present: Mr. Deepak Diwan for the petitioner.  
Mr. P. K. Batta, Dy. ROC in person.

CA No. 1049/2004 in CP No. 32/2004

While sanctioning the scheme of arrangement in the formal order dated 5th May, 2004, it has been observed at page 2 line No. 12 that "..... proposed scheme of arrangement has been approved unanimously without any modification by the said shareholders and creditors of the Transferor company present and voting." However in the report of Ms. Geeta. Sharma, chairman of the meeting of equity shareholders of the Trasferor Company it was noticed that the said Scheme was infact approved by 97.59% of the total equity shareholders in number and present and voting and not unanimously.

The formal order dated 5th May, 2004 is amended to the aforesaid extent and modified portion would read as under :

"Proposed scheme of arrangement has been approved by 97.59% of the total equity share holders in number and present and voting"

This appliction is disposed of

September 14,2004.

-sd-

**A. K. SIKRI, J.**

certified to be True Copy

-sd-

Examiner Judicial Department  
High Court of Delhi,  
Authorised Under Section FO  
.....Evidence Act.

IN THE HIGH COURT OF DELHI AT NEW DELHI  
(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF AMALGAMATION  
OF

COMPANY PETITION NO. 91/2005

CONNECTED WITH

COMPANY APPLICATION (M) NO. 6/2005

IN THE MATTER OF

Shriram Polytech Ltd.,  
having its Regd. Office at  
6th Floor, Kanchanjunga Building,  
18, Barakhamba Road, New Delhi - 110 001

Petitioner/Transferor Company

WITH

IN THE MATTER OF DCM Shriram Consolidated Ltd.,

having its Regd. Office at  
6th Floor, Kanchanjunga Building,  
18, Barakhamba Road, New Delhi- 110 00 1

Petitioner/Transferee Company

**BEFORE HON'BLE MR. JUSTICE A. K. SIKRI**

DATE THIS 15<sup>TH</sup> DAY OF APRIL, 2005 AND 30<sup>TH</sup> DAY OF MAY, 2005

**ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956**

The above petition coming up for hearing on 15/4/05 for sanction of scheme of amalgamation proposed to be made of Shriram Polytech Ltd. (hereinafter referred to as the Transferor Company) with DCM Shriram Consolidated Ltd. (hereinafter referred to as the Transferee Company), upon reading the said petition, the order dt. 7/1/05 -whereby the requirement of holding the meeting of equity shareholders of Transferor Company was dispensed with and the meetings of shareholders of Transferee Company and secured & unsecured creditors of the value of 1 Lac or more of Transferor & Transferee Companies were ordered to convene for the purpose of considering, and if thought fit approving, with or without modification, the Scheme of amalgamation annexed to the affidavit of Sh. B. L. Sachdeva filed on the 6th day of January, 2005 and the publication in the newspapers namely (1) The Statesman (English) (2) Jansatta (Hindi) both dt. 29/1/05 each containing the advertisement of the said notice convening the said meetings directed to be held by the said order dt. 7/1/05, the affidavits of Sh. Munish Kochhar, Smt. Aruna Tiku and Sh. Arun Kumar Sharma, the chairpersons/alternate chairpersons filed on 10/2/05 showing the publication and despatch of the notices convening the said meetings, the reports of Chairpersons of the said meetings as to the result of the said meetings and upon hearing Sh. Deepak Diwan with Mr. Pankaj Jain, Advocates for the petitioner and Sh. P.K. Batta, Dy. Registrar of Companies for the Regional Director, Northern Region, Department of Company Affairs and Mr. Rajiv Bahl, Advocate for the Official Liquidator and it appearing from the reports that the proposed scheme of amalgamation has been approved unanimously without any modification by the said

shareholders and secured & unsecured creditors of the Transferor and Transferee Companies present and voting either in person or by proxy and upon reading the affidavit dated 11/4/05 of Sh. U.C. Nahta, Regional Director, Northern Region, Department of Company Affairs, Kanpur on behalf of Central Government whereby he made two submissions namely, the authorised capital of the Transferee Company can be increased only after following the procedure prescribed under the relevant provisions of the Companies Act, 1956 and payment of requisite fee to the Registrar of Companies and Stamp Duty to the State Government and submitted, therefore, that Para-4 of Part-III of the scheme of amalgamation, in the manner suggested, should not be accepted. This objection of the Regional Director has been overruled by the Court as the same was without merit. The second submission made by the Regional Director was that although meeting was attended by 3849 shareholders of worth Rs. 1069.68 lacs, the valid voting was only by 79 shareholders. The petitioner has filed affidavit dated 15<sup>th</sup> April, 2005, clarifying the position in this behalf and stated that although 3849 members arrived at the venue, either in person or through proxies, those who entered the auditorium attended and cast their votes were only 94. The total number of valid votes were 79 entitled to Rs. 1055.34 lacs who voted in favour of the scheme. The Court has observed that this aspect has duly been reflected in the report of the Chairperson as well and the report of Sh. Alok Samantarai, Official Liquidator filed on 14/3/05 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its shareholders or creditors or to public interest and Transferor Company could be dissolved without process of winding up, there being no investigation proceedings pending in relation to the petitioner company under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMATION set forth in Schedule-I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and doth approve the said scheme of amalgamation with effect from the appointed date i.e. 1.10.2004.

#### AND THIS COURT DOTH FURTHER ORDER :

1. That all the property, rights and powers of the Transferor Company specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
4. That the Transferor Company i.e. SPL being a 100% subsidiary of Transferee Company, the share capital of Rs. 8,75,00,070/- and the amount lying in the share premium

account of Rs. 34,80,00,000/- shall stand cancelled. On the effective date equity shares of Transferor Company held by Transferee Company will be cancelled as on the appointed date; and .

5. That the Transferor Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without the process of winding up, and the Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said Transferor Company and Transferee Company shall be consolidated accordingly; and

6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

#### **Schedule I**

### **SCHEME OF AMALGAMATION BETWEEN DCM SHRIRAM CONSOLIDATED LIMITED (DSCL) AND SHRIRAM POLYTECH LIMITED (SPL)**

#### **PART I**

#### **DEFINITIONS :**

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

1. "Act" means The Companies Act, 1956 or any amendments thereto or re-enactment thereof
2. "Appointed Date" means the commencement of business on the 1<sup>st</sup> day of October, 2004 or such other date(s) as the Hon'ble High Court of Delhi may direct.
3. "DSCL" means DCM Shriram Consolidated Limited, a company incorporated under The Companies Act, 1956 registered on 6th February, 1989 having its registered office at 6<sup>th</sup> Floor, Kancherjunga Building, 18, Barakhamba Road, New Delhi-110001.
4. "Effective Date" means the date or the last of the dates on which the certified copies of the order (s) of the Hon'ble High Court of Delhi at New Delhi are filed with the Registrar of Companies, NCT of Delhi & Haryana by both the companies viz. DSCL and SPL.
5. "SPL" means Shriram PolyTech Limited, a company incorporated under The

Companies Act, 1956 registered on 29<sup>th</sup> November, 1990 having its registered office at 6<sup>th</sup> Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi-110001, being a wholly owned subsidiary of DSCL.

SPL shall mean the entire Polymer Processing Business (including formulations, compounding, color concentrates, master batches, innovative Plastics Application Centre) and shall mean & include :

(a) all contracts, approvals, permissions, consents, exemptions, registrations, no-objection certificates and certifications, permits, quotas, rights, entitlements, tenancies, trademarks, know-how, technical know-how, technology, trade names, descriptions, trading style, franchise, labels, label designs, colour schemes, utility models, holograms, bar codes, designs, patents, trademarks, domain names, websites, engineering and process information, computer programme, copyrights, privileges and any rights, title or interest in Intellectual Property Rights, benefits of contracts, incentive schemes, brand names, ISI/BIS marks, engagements, arrangements, rights, credits, titles, interests, benefits, privileges, liabilities, easements, incentives, club memberships, advantages and other intangibles, import/export quotas, telephones, telexes, facsimile, and communication facilities and equipments, electricity and other such connections, rights, industrial and other licenses including those relating to trademarks, permits, authorizations, quota rights, powers and facilities of every kind, nature and description whatsoever, benefits and other approvals of whatsoever nature and where so ever situate, available under any rule, regulations, statute including direct and indirect taxes, and particularly sales tax benefits/exemptions, electricity duty benefit, modvat/cenvat benefit and customs duty benefit central excise registration and exemptions, stamp duty benefit and exemptions, export and import incentives and benefits, awards, citations or any other benefit/exemption given by Central or State Government belonging to or in the ownership, power or possession or control of the Transferor Company as on the Appointed Date and thereafter.

(b) all the properties and assets, movable and immovable, leasehold and freehold, tangible and intangible, real and personal, corporeal and incorporeal, in possession or in reversion, present and future, contingent on or of whatsoever nature, wherever situated as on the Appointed Date together with all present and future liabilities including any contingents / statutory liabilities and debts and undertakings of SPL, as per the records of SPL;

(c) all employees of SPL;

(d) all application monies, authorized share capital, reserves, advance monies, earnest monies and/or security deposits paid, payments against other entitlements of SPL;

(e) all immovable assets, whether freehold, leasehold or otherwise, including all land and buildings (as detailed in schedule 1), fixtures, structures, plant~ machinery, depots, warehouses and / or any other developments or rights and facilities related thereto of SPL.



(f) all the assets, debts, loans, liabilities, duties, responsibilities and obligations of SPL on the Appointed Date as identified in the Reference Balance Sheet of SPL as at 30<sup>th</sup> September, 2004 and described in Schedule II hereto.

6. "Scheme" means the Scheme of Amalgamation between DSCL being the Transferee Company and its wholly owned subsidiary, SPL, being the Transferor Company in its present form with any amendments/modifications approved or imposed or directed by the Hon'ble High Court of Delhi.
7. "The Transferor Company" means SPL.
8. "The Transferee Company" means DSCL.

## PART - II

### PREAMBLE

WHEREAS **DSCL**, is inter-alia, carrying out business in various fields such as fertilizers, chemicals, plastics; power, cement, textiles, sugar and merchandising, many of these businesses being manufacture and / or sale of commodities.

AND WHEREAS **SPL** is inter-alia engaged in value added polymer processing businesses (including formulations, colour concentrates, master batches, compounding, innovative plastics applications centre) involving providing customized solutions for various end users.

AND WHEREAS SPL is controlled by DSCL and its entire equity shareholding is held by DSCL.

AND WHEREAS the Scheme is in the nature of amalgamation of SPL with DSCL.

AND WHEREAS the scheme proposes to amalgamate SPL with DSCL. The object of the Scheme of Amalgamation is to integrate operations and take advantage of the combined resources of the amalgamating companies.

AND WHEREAS both SPL and DSCL are having common objects in the PVC related business. The proposed amalgamation will bring all plastics business of DSCL under one single entity, which will facilitate in deriving the synergistic benefit.

AND WHEREAS the Scheme will strengthen and consolidate the position of DSCL in PVC related businesses and will enable it post merger to participate more vigorously and profitably in an increasingly competitive and liberalized market.

AND WHEREAS the Scheme will enable the management of SPL and DSCL to combine and pool the resources of both the companies for their common advantage, further growth and consolidation of business, particularly as SPL is a wholly owned subsidiary of DSCL, as well as rationalize and streamline their businesses and finances and eliminate duplication of work, to common advantage.

AND WHEREAS the Scheme will further enable the amalgamated entity to raise funds from the financial institutions on better terms. The combination will result in strong financial structure, facilitate resource mobilization, cash generation, financial consolidation, and bring down overheads. The synergy of the amalgamation will improve operational efficiency, integrated management functioning and will enhance the share value for the benefit of the shareholders of the existing entities.

AND WHEREAS to achieve all the above objectives the requisite application is being made jointly by DSCL and SPL before the Hon'ble High Court of Delhi at New Delhi under Section 391 and 394 of the Act for sanction of the Scheme of Amalgamation.

AND WHEREAS the proposed Scheme shall be subject to approval of the respective requisite majorities of the Shareholders and Creditors of each of the Transferor and Transferee companies involved thereof and sanction by the Hon'ble High Court of Delhi pursuant to the relevant provisions of the Act.

AND WHEREAS the said scheme of Amalgamation is beneficial to both the Companies, their shareholders, creditors, employees and all concerned and will enable these Companies to achieve and fulfill their objectives more efficiently and economically. The said Scheme will contribute in furthering and fulfilling the objects of DSCL and SPL and in the growth and development of their businesses.

AND WHEREAS none of the Directors of DSCL and SPL have any material interest in the Scheme except as shareholders in general, the extent of which will appear from the Registrar of Directors' shareholding maintained by these companies.

**PART-A****SHARE CAPITAL**

1. The capital structure of DSCL and SPL as on 30<sup>th</sup> September, 2004 as parties to the present Scheme of Amalgamation is as under :-

- (A) The share capital structure of DSCL as on 30.9.2004 is as follows:

**Rs. / in Crores**

**AUTHORISED**

4,00,00,000 Equity shares of Rs. 10/- each and 65,00,000 Redeemable Cumulative Preference shares of Rs. 100/- each	105.00
--	--------

**ISSUED AND SUBSCRIBED**

1,73,70,332 Equity shares of Rs. 10/- each	17.37
--	-------

**PAID-UP**

1,73,70,332 Equity shares of Rs. 10/- each (Excluding calls unpaid).	16.75
---	-------

- (B) The share capital structure of SPL as on 30.9.2004 is as follows

**Rs./in '000**

**AUTHORISED**

99,90,000 Equity shares of Rs. 10/- each and 1,000 12% Redeemable Cumulative Preference Shares of Rs. 100/- each	10,00,00.00
--	-------------

**ISSUED SUBSCRIBED AND PAID-UP**

87,50,007 Equity shares of Rs. 10/- each	87,500.07
--	-----------

7- 12% Redeemable Cumulative Preference Shares of Rs.100/- each	0.70
--	------

(C) The Shareholding Pattern of the Transferor and the Transferee Companies are as under

(i) SHRIRAM POLYTECH LIMITED

The entire equity shareholding of SPL is held BY DSCL.

(ii) DCM SHRIRAM CONSOLIDATED LIMITED

Shareholding Pattern as on 30.09.2004.

Category	No. of Shares held	%age of Shareholding
<b>A. PROMOTERS' HOLDING</b>		
1. Promoters	87,58,086	52.79
<b>Sub Total</b>	<b>87,58,086</b>	<b>52.79</b>
<b>B. NON-PROMOTERS' HOLDING</b>		
2. Institutional, Investors :-		
a. Mutual Funds and UTI	11,02,139	6.64
b. Banks, Financial Institutions, Insurance Companies, Central/State Government/Non-Govt. Institutions	26,73,817	16.12
c. FIs	50	0.00
<b>Sub Total</b>	<b>37,76,006</b>	<b>22.76</b>
<b>3 OTHERS</b>		
a. Corporate Bodies	2,14,161	1.29
b. Indian Public	22,70,815	13.69
c. NRIs / OCBs	15,71,264	9.47
d. Any Other	---	---
<b>Sub Total</b>	<b>40,56,240</b>	<b>24.45</b>
<b>GRAND TOTAL</b>	<b>1,65,90,332</b>	<b>100.00</b>

## PART - B

### AMALGAMATION OF SPL WITH DSCL

- 1 With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the Undertaking and the entire business of SPL shall without further act or deed be transferred to and be vested or deemed to have been transferred to and vested in DSCL by way of amalgamation pursuant to Section 391 (2) and 394(2) of the Act so as to become as and from the Appointed Date the undertaking of DSCL, subject however, to all charges, liens, mortgages, created and / or registered in favour of any Bank, Financial Institutions, if any, then affecting the same or any part thereof.

Provided always that any reference in the security documents or arrangements to which SPL is a party, to the assets of SPL offered as security for any financial assistance or obligation, shall be construed as a reference to the assets pertaining to that undertaking of SPL only as are vested in DSCL by virtue of this Scheme and the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by SPL which shall vest in DSCL by virtue of the amalgamation DSCL shall not be obliged to create any further or additional security thereof after the amalgamation has become effective or otherwise except in case where the required security has not been created and in such case, DSCL will create the security in terms of the issue or agreement in relation thereto.

Similarly, DSCL shall not be required to create any additional security over assets acquired by it under the Scheme for any loans, deposits or facility availed or raised by it.

2. Any inter se contracts between SPL with DSCL shall stand adjusted and vest in DSCL upon the sanction of the Scheme and upon the Scheme becoming effective.
3. If any suit, actions, appeal or any other proceedings of whatever nature (hereinafter called "the proceedings") by or against SPL be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of SPL or anything contained in this Scheme, and the proceedings may be continued, prosecuted and enforced by or against DSCL in the same manner and to the same extent as it would be or might have been continued prosecuted and enforced by or against SPL if this Scheme had not been made.
4. The transfer and vesting of the business of SPL under Clause 1 hereof and the continuance of the proceedings by or against DSCL under Clause 3 hereof shall not affect any transaction or proceeding already concluded by SPL on or after the Appointed Date to the end and intent that DSCL accepts and adopts all acts, deeds and things done and executed by or on behalf of SPL as acts, deeds and things done and executed by or on behalf of DSCL.
5. Subject to the provisions contained in this Scheme, all contracts, deeds, bonds, agreements, licenses and other documents and instruments of whatsoever nature



to which SPL is a party subsisting or having effect immediately before the amalgamation shall remain in full force and effect against or in favour of DSCL and may be enforced as fully and effectively, as if instead of SPL, DSCL had been a party thereto.

6. With effect from the 'Appointed Date' upto the 'Effective Date' :-

- (a) SPL shall carry on and shall be deemed to have carried on all its business and activities in respect of the Undertaking and stand possessed of its properties and assets for and on account of and in trust for DSCL;
- (b) All the profits or incomes accruing or arising to SPL or expenditure or losses arising or incurred (including the effect of taxes, if any, thereon) by SPL shall for all purposes be treated and be deemed to be and accrued as, the profits or incomes or expenditure or losses of DSCL, as the case may be;
- (c) SPL shall carry on its business activities in relation to the undertaking under reasonable diligence, utmost business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts, or incur any other liabilities or expenditure, issue any additional guarantee, indemnities, letter of comfort or commitments, either for itself or on behalf of its subsidiaries, if any, or group Companies or any third party, or save as expressly permitted by this Scheme, alienate, charge, mortgage, encumber or otherwise deal with the said Assets or any part thereof, except in the ordinary course of business, or without the consent of DSCL or pursuant to any pre-existing obligation undertaken by SPL prior to the Appointed Date;
- (d) DSCL shall also be entitled, pending the sanction of the Scheme to apply to the Central Government and all other agencies, departments and authorities concerned as are necessary under any law (including without limitation, under the Industries (Development & Regulation) Act, 1951, Monopolies and Restrictive Trade Practices Act 1969, Transfer of Property Act, 1973 etc.) for such consent, approvals and sanctions with DSCL, may require;
- (e) Save as specifically provided in this Scheme, SPL shall not make any change in its capital structure either by any increase, (by issue of rights shares, equity or preference shares, bonus shares, convertible debentures or otherwise) decrease, reduction, re-classification, sub division or consolidation, re-organisation, or in any other manner.

7. The borrowing limits of DSCL in terms of Section 293(l)(d) of the Act, shall without further act, instrument, permission, consent, approval or deed stand enhanced as required by an amount equivalent to the authorized borrowings limits of SPL, such limits being incremental to the existing limits of DSCL.

8. All the loans and advances extended or notes issued by DSCL to SPL and vice-versa shall stand cancelled and SPL and DSCL, as the case may be, shall have no further obligation in that behalf.

9. SPL and DSCL shall be entitled to declare and pay dividends, whether interim or final in respect of the accounting period prior to the effective Date.
10. DSCL may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise execute deeds, confirmations or other writings or separate arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. DSCL under the provisions of this Scheme is hereby authorized and shall be deemed to be authorized to execute any such writings on behalf of SPL and to carry out or perform all such formalities or compliances referred to above on the part of, SPL to be carried out or performed.

### **PART - III**

#### **SHARE ALLOTMENT / REORGANISATION OF SHARE CAPITAL AND SHARE PREMIUM ACCOUNT**

1. SPL being a 100% subsidiary of DSCL, the share capital of Rs. 8,75,00,070/- and the amount lying in the Share Premium Account of Rs. 34,80,00,000/- shall stand cancelled. On the 'Effective Date' Equity Shares of SPL held by DSCL will be cancelled as on the Appointed Date.
2. On the Scheme becoming Effective DSCL shall immediately redeem in cash 7(12%) Redeemable Cumulative Preference Shares of Rs. 100/-each alongwith outstanding dividend out of its profits.
3. As an integral part of the restructuring and with a view to enhance shareholder's value through improvement in future profitability and consequent increase in earnings per share, the accumulated losses of Rs. 15.12 crores and net book value of goodwill of Rs. 1.60 Crores of SPL as on the Appointed Date shall be written off against the share premium account in DSCL. Further, the difference between investment in the books of DSCL and total of Share Capital and Reserves & Surplus in books of SPL amounting to Rs. 2 Lacs shall also be written off against the balance of share premium account of Rs. 79.04 Crores in DSCL.
4. Upon the Scheme being effective the Authorised Share Capital of the Transferor Company would be added to the Authorised Share Capital of the Transferee Company and the Authorised Share Capital of the Transferee Company would stand increased to that extent.
5. It is expressly clarified that upon the Scheme becoming effective all taxes payable by SPL from the appointed date onwards including all or any refunds of the claims or any brought forward losses shall be treated as the tax liability or refunds/claims or brought forward losses as the case may be of DSCL.
6. All the employees of SPL shall become the employees of DSCL without interruption in service and on terms no less favourable to them than those then applicable to them

on the Effective Date. It is expressly provided that the Provident Fund, Gratuity Fund etc. created or existing for the benefit of the employees of SPL shall stand substituted by DSCL.

7. Upon the Scheme becoming effective and subject to an order being made by the Hon'ble High Court of Delhi under Section 394 of the Act, SPL shall stand dissolved without winding up as and from the Effective Date or such date as the said Hon'ble High Court may direct.
8. DSCL and SPL shall make suitable alterations, if required to their respective Memorandum and Articles of Association for proper implementation of this Scheme.
9. In case any conflict arises as a result of amalgamation in applying the accounting principles/policies, the same shall be corrected and the impact of the same in the Financial Accounts of the Transferee Company will be adjusted by withdrawal from the share premium account of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting principles/policies of Transferee Company.
10. The Transferee Company has inspected, examined and seen the Directors' Report, Audited Balance Sheet and Profits & Loss Account of the Transferor Company for the year ended 31<sup>st</sup> March, 2004, and the Reference Balance Sheet as at 30<sup>th</sup> September, 2004 and also for the previous years and have satisfied themselves about the correctness thereof. The Transferee Company also accepts the correctness of the Accounts of the Transferor Company up to the Transfer Date.

#### **PART - IV**

#### **GENERAL TERMS AND CONDITIONS**

1. The cancellation of shares and adjustment of share premium account under the Scheme shall be an integral part of the Scheme and it shall be deemed that all the requirements under The Act have been complied with.
2. The Scheme is conditional upon and subject to the following:-
  - a). The Scheme being approved by the requisite majorities of the respective members / creditors of DSCL and SPL and it being sanctioned by the Hon'ble High Court of Delhi under Section 391 of the Act and the appropriate orders being made by the said High Court pursuant to Section 394 of the Act for effecting Scheme of Amalgamation and the implementation of the Scheme.
  - (b). the certified copies of the Order of the Hon'ble High Court of Delhi has been filed with the Registrar of Companies, NCT of Delhi & Haryana for DSCL and SPL.
3. DSCL and SPL shall make necessary applications to the Hon'ble High Courts of Delhi for obtaining the Hon'ble Court's sanction for this Scheme and for the consequent dissolution without winding up of SPL.

4. The Scheme although operative from the Appointed Date shall take effect finally and from the date on which any of the aforesaid sanctions or approvals or orders shall be last obtained, which shall be the Effective Date for the purpose of the scheme.
5. Until the Scheme is sanctioned and transfers effected as aforesaid and until DSCL is effectively able to take over and obtain all necessary transfer effected with the parties concerned, SPL shall carry on its business in usual course and shall be deemed to be carrying on the said business for and on behalf of and in trust for DSCL with effect from the Appointed Date.
6. DSCL (by its Directors) and SPL (by its Directors) or any person authorised by them may assent from time to time on behalf of all persons concerned to any modifications or amendments of this Scheme or of any conditions or limitations which the respective Hon'ble High Court and / or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may rise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary and / or expedient for the purpose of implementing this Scheme.
7. For the purpose of giving to this Scheme or to any modifications or amendments thereof, the Directors of DSCL and SPL, may give and are authorised to give all such directions as are necessary including directions for settling any question or doubt or difficulty that may arise.
8. All costs, charges and expenses in relation to or in connection with this Scheme and incidental thereto shall be borne and paid by DSCL.
9. The Board of Directors of DSCL and SPL shall be at liberty to withdraw from this Scheme of Amalgamation in case any condition or alteration imposed by any authority is unacceptable to them.
10. In the event of this Scheme failing to take effect finally, this Scheme shall become null and void and in that case no rights and liabilities whatsoever shall accrue to or be incurred inter-se by the parties or their shareholders or creditors or employees or any other person and all income, profits, costs, charges and expenses or loss with effect from the Appointed Date shall be on account of the respective parties as if this scheme had not been propounded.
11. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and / or any other person as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability transferred under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to the sole arbitration of Shri. Ajay S. Shriram or Dr. S.S. Baijal as may be mutually agreed by Board or Directors of all the Companies, whose decision shall be final and binding.

## Schedule I

**Description of Land and Building****A. Land**

Description	:	Land situated at village Kansua, District Kota (Rajasthan) in Khasra number 302 (Old Khasra Number 207).
Title Deed Dated	:	03.01.1964
Registration number & Date	:	47 dated 20.01.1964
Area	:	11,820.27 sqm.
Book Value as on 30 <sup>th</sup> September, 2004	:	Rs. 18,91,243/-

**B. Buildings**

Description	:	Buildings and roads situated on the above mentioned land.
Book value as on 30 <sup>th</sup> September, 2004	:	Rs. 3,51,00,208/- (Written-down value)



## Schedule II

**SHRIRAM POLYTECH LIMITED**  
**INDICATIVE REFERENCE BALANCE SHEET**  
**AS AT 30<sup>TH</sup> SEPTEMBER, 2004**

<b>Sources of Funds</b>	<b><u>Rs. In '000</u></b>
<b>Shareholders' funds</b>	
Share Capital	87,501
Reserves and Surplus	<u>3,48,000</u>
	435,501
<b>Loan funds</b>	
Unsecured	<u>101,016</u>
	101,016
<b>Total funds employed</b>	<b><u>536,517</u></b>
<b>Application of Funds</b>	
<b>Fixed Assets</b>	
Gross block	437,618
Less: Accumulated depreciation	<u>123,021</u>
Net block	314,597
Capital work in progress	<u>-</u>
	314,597
<b>Current Assets, loans and advances</b>	
Inventories	55,612
Sundry debtors	127,623
Cash and bank balances	18,902
Loans and advances	<u>18,347</u>
	220,494
<b>Less : Current liabilities and provisions</b>	
Current liabilities	141,614
Provisions	<u>8,108</u>
	149,722
<b>Net current assets</b>	70,762
<b>Profit and loss account</b>	<u>151,158</u>
<b>Total funds utilised</b>	<b><u>536,517</u></b>

Schedule II

IN THE HIGH COURT OF DELHI AT NEW DELHI  
 ORIGINAL JURISDICTION  
 COMPANY PETITION NO. 91 OF 2005  
 CONNECTED WITH  
 COMPANY APPLICATION (M) NO. 06 OF 2005

IN THE MATTER OF

The Companies Act 1956

AND

IN THE MATTER OF:

A Petition under Section 391 to 394 of the said Act.

AND

IN THE MATTER OF:

Scheme of Amalgamation of Shriram PolyTech Limited (SPL) with  
 DCM Shriram consolidated Limited (DSCL)

AM

IN THE MATTER OF:

**DCM Shriram Consolidated Limited (DSCL),**  
 a Company incorporated under the Companies Act,  
 1956 having its registered office at 6<sup>th</sup> Floor,  
 Kanchenjunga Building, 18, Barakhamba Road,  
 New Delhi - 110 001.

..Petitioner No.1/Transferee Company

AND

**Shriram PolyTech Limited (SPL),**  
 a company incorporated under the Companies Act,  
 1956 having its registered office at 6<sup>th</sup> Floor,  
 Kanchenjunga Building, 18, Barakhamba Road,  
 New Delhi - 110 001, being wholly owned  
 Subsidiary of DSCL.

..Petitioner No.2/Transferor Company

SHORT PARTICULARS OF ALL THE PROPERTY, RIGHTS & POWER OF THE TRANSFEROR  
 COMPANY VIZ. **SHRIRAM POLYTECH LIMITED** TO BE TRANSFERRED TO **DCM SHRIRAM  
 CONSOLIDATED LIMITED** TRANSFEREE COMPANY) IN PART I, PART II AND PART III OF THE  
 SCHEDULE (FORM NO.42)

**PART - I**

(A SHORT DESCRIPTION OF THE FREEHOLD PROPERTY OF THE TRANSFEROR  
 COMPANY)

**NIL**

**PART - II**

(A SHORT DESCRIPTION OF THE LEASEHOLD PROPERTY OF THE  
TRANSFEROR COMPANY)

A.	Land		
	Description	:	Land situated at village Kansua, District Kota (Rajasthan) in Khasra number 302 (Old Khasra Number 207).
	Title Deed Dated	:	03.01.1964
	Registration number & Date	:	47 dated 20.01.1964
	Area	:	11,820.27 sqm.
	Book Value as on 30 <sup>th</sup> September, 2004	:	Rs. 18,91,243/-
B.	Buildings		
	Description	:	Buildings and roads situated on the above mentioned land.
	Book value as on 30 <sup>th</sup> September, 2004	:	Rs. 3,51,00,208/- (Written-down value).

**PART - III**

(A, SHORT DESCRIPTION OF ALL STOCKS, SHARES, DEBENTURES AND  
OTHER CHARGES IN ACTION OF THE TRANSFEROR COMPANY)

Dated this the 15<sup>th</sup> day of April 2005  
(By order of the Court)

Sd/-  
Joint Registrar (Co.)

**IN THE HIGH COURT OF DELHI AT NEW DELHI**  
**ORIGINAL COMPANY JURISDICTION**  
**COMPANY PETITION NO. 192 OF 2010**  
**IN COMPANY APPLICATION (M) NO. 45 OF 2010**

**IN THE MATTER OF :**

Section 391, 392, 394 and other applicable provisions of the Companies Act, 1956  
 AND

**IN THE MATTER OF :**

1. Shriram Bioseed Genetics India Limited  
 6th Floor, Kanchenjunga Building,  
 18, Barakhamba Road, New Delhi - 110001  
 ....Petitioner No. 1 / Transferor Company
2. DCM Shriram Consolidated Limited  
 6th Floor, Kanchenjunga Building,  
 18, Barakhamba Road, New Delhi - 110001  
 ....Petitioner No. 2 / Transferee Company

**MEMO OF PARTIES**

**IN THE MATTER OF :**

1. Shriram Bioseed Genetics India Limited  
 6th Floor, Kanchenjunga Building,  
 18, Barakhamba Road, New Delhi - 110001  
 ....Petitioner No. 1 / Transferor Company
2. DCM Shriram Consolidated Limited  
 6th Floor, Kanchenjunga Building,  
 18, Barakhamba Road, New Delhi - 110001  
 ....Petitioner No. 2 / Transferee Company

(ANAND K GANESAN)  
 ADVOCATE FOR THE PETITIONERS  
 C-31, Friends Colony East,  
 New Delhi - 110065  
 Ph: 9810941482

Place : New Delhi  
 Dated : 5<sup>th</sup> May, 2010

IN THE HIGH COURT OF DELHI AT NEW DELHI  
(ORIGINAL JURISDICTION)

IN THE MATTER OF THE COMPANIES ACT, 1956  
AND

IN THE MATTER OF SCHEME OF ARRANGEMENT FOR AMALGAMATION  
OF

COMPANY PETITION NO.192/2010

CONNECTED WITH

COMPANY APPLICATION (M) NO. 45/2010

IN THE MATTER OF M/s Shriram Bioseed Genetics India Ltd.  
having its Regd. Office at :  
6<sup>th</sup> Floor, Kanchenjunga building,  
18 Barakhamba Road,  
New Delhi-110001

...Petitioner/Transferor Company

WITH

IN THE MATTER OF M/s DCM Shriram Consolidated Ltd.  
having its Regd. Office at :  
6<sup>th</sup> Floor, Kanchenjunga Building,  
18 Barakhamba Road,  
New Delhi-110001

...Petitioner/Transferee Company

**BEFORE HON'BLE MR. JUSTICE SUDERHAN KUMAR MISRA**  
**DATED THIS THE 19<sup>th</sup> DAY OF AUGUST, 2010**

**ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956**

The above petition came up for hearing on 19/08/2010 for sanction of Scheme of Arrangement for Amalgamation proposed to be made of M/s Shriram Bioseeds Genetics India Ltd (hereinafter referred to as Transferor Company); with M/s DCM Shriram Consolidated Ltd. (hereinafter referred to as Transferee company). The Court examined the petition; the order dated 17/03/2010, passed in CA(M) 45/2010, whereby the requirement of convening and holding the meetings of the Equity Shareholders, Secured and Unsecured Creditors of the Transferor Company was dispensed with; and the meetings of the Equity Shareholders, Secured and Unsecured Creditors of the Transferee Company were ordered to be convened for the purpose of considering and if thought fit approving with or without modification, the scheme of Arrangement for Amalgamation annexed to be the affidavit of Sh. A.K. Jain and Shri B. L. Sachdeva, Company Secretary of the Petitioner Companies, filed on 24<sup>th</sup> day of February, 2010, and the publication in the newspapers namely Statesman (English) and Jansatta (Hindi) both dated 26/03/2010 containing the notice of the Petition; the affidavits of Ms. Indrani Mukherjee filed on 05/04/2010, Sh. Aman Ahluwalia filed on 08/04/2010 and Sh. Umesh Kumar Shandilya filed on 13/04/2010, Chairpersons, showing the publication and despatch of the notices convening the said meetings and also the report of the Chairpersons as to the result of the said meetings.

The Court also examined the affidavit dated 01/07/2010 of Dr. Navrang Saini, Regional Director, Northern Region, Ministry of Corporate Affairs, Noida on behalf of Central Government submitting that on perusal of the Chairman's report of the meeting of the shareholders of the



Transferee Company, it was observed that out of 59,042 shareholders, only 111 Shareholders attended the meeting, and 102 shareholders entitled together to Rs.9,31,58,827/- voted in favour of the Scheme. It was further submitted that 3 Shareholders representing Rs.910/- voted against the Scheme and that the votes of 6 shareholders were declared invalid by the Chairman. In response thereto, the Transferee Company, in the affidavit dated 3<sup>rd</sup> August, 2010 of Sh. B. L. Sachdeva, Company Secretary and Authorized Signatory of the Transferee Company, submitted that out of 111 equity shareholders, 102 shareholders entitled together a sum of Rs.18,63,17,674/- and constituting 99.999% in value of the total members present and voting, voted in favour of the Scheme, and 3 shareholders entitled together to a sum of Rs.1,820/- only have voted against the Scheme. The votes of the remaining 6 shareholders have been declared invalid by the Chairperson. Learned counsel for the petitioners has further submitted that the shareholders who voted in favour of the Scheme represent more than 3/4<sup>th</sup> of the total shareholding of the members who attended the meeting, thereby, fulfilling the requirement of Section 391(2) of the Companies Act, 1956. Having regard to the decision of the Full Bench of the Punjab & Haryana High Court in Re: Hind Lever Chemicals Limited (2005 (58) SCL 211 (FB- P&H]), the Court observed that the objection raised by the Regional Director did not subsist.

Upon hearing Sh. Mahesh Agarwal with Mr. B. S. Shukla and Mr. Rajeev Kumar, Advocates for the Petitioners, Ms. Purnima Sethi for the Official Liquidator and Mr. V. K. Gupta, Dy. Registrar, of Companies in person; and in view of the approval of the Scheme of Arrangement for Amalgamation without any modification; by the Equity Shareholders, Secured and Unsecured Creditors of the Transferor Company; and in view of the affidavit of Sh. S. B. Gautam, Official Liquidator filed on 29/07/2010 stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its Members or Creditors or to public interest; and there being no investigation proceedings pending in relation to the Petitioner Transferee Company under Section 235 to 251 of the Companies Act, 1956,

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT FOR AMALGAMATION set forth in Schedule-I annexed hereto and doth hereby declare the same to be binding on all the Shareholders & Creditors of the Transferor and Transferee Companies and all concerned and doth approve the said Scheme of Arrangement for Amalgamation with effect from the appointed date i.e. 01/04/2009.

AND THIS COURT DOTH FURTHER ORDER:

1. That all the property, rights and powers of the Transferor Company specified in first, second and third part of Schedule-II hereto and all other property, right and powers of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and

2. That all the liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and

3. That all the proceedings now pending by or against the Transferor Company be continued by or against the Transferee Company; and
4. That the Transferee Company do without further application allot to such members of the Transferor Company as have not given such notice of dissent as is required by Clause 6.1 given in the Scheme of Arrangement for Amalgamation herein the shares in the Transferee Company to which they are entitled under the said Amalgamation; and
5. That the Transferor Company do within five weeks after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company Shall be dissolved without undergoing the process of winding up and the Concerned Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept in relation to the Transferee Company and the files relating to the said Transferor and Transferee Companies shall be consolidated accordingly; and
6. It is clarified that this order will not be construed as an order granting exemption from payment of stamp duty that is payable in accordance with law; and
7. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEME OF ARRANGEMENT  
BETWEEN  
DCM SHRIRAM CONSOLIDATED LIMITED ("DSCL")  
AND  
SHRIRAM BIOSEED GENETICS INDIA LIMITED ("SBGIL")  
AND  
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS  
UNDER SECTIONS 391 TO 394 READ WITH SECTIONS 100 TO 104 OF THE  
COMPANIES ACT, 1956

---

### PRELIMINARY

1. DCM SHRIRAM CONSOLIDATED LIMITED (hereinafter referred to as 'DSCL' ) is a company incorporated under the Companies Act, 1956 having its registered office at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001. DSCL is listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE').
  2. DSCL is a diversified company having conglomerate of various businesses comprising of Chemicals business, PVC Resin, PVC Compounds, Cement business, Fenesta Building Systems, Urea, Sugar, Hariyali Kisan Bazaar, Agri-inputs business, Seeds and Textiles.
  3. SHRIRAM BIOSEED GENETICS INDIA LIMITED (hereinafter referred to as 'SBGIL') is a company incorporated under the Companies Act, 1956 having its registered office at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001. SBGIL is a subsidiary of DSCL wherein DSCL directly and indirectly through other subsidiaries holds the entire equity share Capital.
  4. SBGIL is primarily engaged in Producing, Processing and Marketing business of hybrid seeds of cereal crops (corn), cotton and vegetable hybrid seeds.
  5. This Scheme of Arrangement is under Sections 391 to 394 and other applicable provisions, if any of the Companies Act., 1956 for merger of SBGIL with DSCL
  6. This Scheme of Amalgamation is being proposed consistent with the provisions of Section 2 (1B) of the Income-tax Act, 1961 whereby:
    - a) All the property of the amalgamating company immediately before the amalgamation becomes the property of the amalgamated company by virtue of the amalgamation.
    - b) All the liabilities of the amalgamating company immediately before the amalgamation become the liabilities of the amalgamated company by virtue of the amalgamation.
    - c) Shareholders holding not less than 3/4th in value of the shares in the amalgamating company (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company by virtue of the amalgamation
- The provisions of the scheme are to be read so far as circumstances permit to be consistent with the requirements of section 2 (1B) of the Income tax Act, 1961.
7. SBGIL is currently owned 51% by DSCL and 49% by subsidiaries of DSCL. In order to simplify the present structure for operating and corporate efficiencies in the seeds business, it is intended to merge SBGIL into the Company. The Scheme of Arrangement would benefit the respective companies on account of the following reasons:

- a) SBGIL has entered growth phase in last two years consequent to good performance of some of the new products launched in these years. The growth phase is likely to continue in the coming few years. This would require adequate resources to sustain the growth which DSCL would be able to provide;
- b) Strengthening and consolidating the position of DSCL and enabling it post merger to participate more vigorously and profitably in an increasingly competitive and liberalized market;
- c) Enabling better leverage of facilities, infrastructure and human resources and for better administration;
- d) Augmenting and strengthening core businesses of DSCL resulting in enhancement of the shareholders' value of DSCL ;
- e) Enabling the amalgamated entity to raise funds from the financial institutions on better terms. The synergy of the amalgamation will improve operational efficiency, integrated management functioning and will enhance the share value for the benefit of shareholders of the existing entities;
- f) The merger of SBGIL into DSCL will result in reduction of overheads administrative, managerial and other expenditure, and bring about operational rationalization, tax and organizational efficiency, and optimal utilization of various resources;
- g) The merger will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by DSCL and SBGIL and also avoid duplication of administrative functions and eliminate multiple record-keeping;
- h) The said scheme of arrangement is beneficial to both the companies, their shareholders, creditors, employees and all concerned and will enable these companies to achieve and fulfill their objectives more efficiently and economically. The said scheme will contribute in furthering and fulfilling the objective of DSCL and SBGIL and in the growth and development of their business; and
- i) None of the directors of DSCL and SBGIL have any material interest in the scheme except as shareholders in general.



## PART - I

DEFINITIONS AND SHARE CAPITAL

## 1. DEFINITIONS

In this Scheme (as defined hereinafter), unless repugnant to the meaning or context thereof, the following expressions shall have the meaning mentioned herein below:

- 1.1 **"Accounting Period"** means the period of twelve months commencing on the 1<sup>st</sup> day of April every calendar year and ending on the 31<sup>st</sup> day of March of subsequent calendar year.
- 1.2 **"Act" or "The Act"** means the Companies Act, 1956 and shall include any statutory modifications, re-enactment or amendments thereof for the time being in force.
- 1.3 **"Appointed Date"** means 1st day of April, 2009 (Opening business hours) or such other date as may be approved by the High Court (as defined hereinafter) for the merger of SBGIL with DSCL Under Part -II of this Scheme.
- 1.4 **"DSCL" or "amalgamated company" or "Transferee Company"** means DCM Shriram Consolidated Limited, a company incorporated under the Act, having its registered office at 6<sup>th</sup> Floor Kanchenjunga Building, 18 Barakhamba Road, New Delhi , 110001.
- 1.5 **"Effective Date"** means the date on which certified copy(s) of the Order of the High Court or any other appropriate authority under Sections 391 to 394 of the Act sanctioning this Scheme are filed with the Registrar of Companies, NCT of Delhi & Haryana.
- 1.6 **"High Court"** means the Hon'ble High Court of Judicature at Delhi.
- 1.7 **"SBGIL" or "amalgamating company" or "Transferor Company"** means Shriram Bioseed Genetics India Limited, a company incorporated under the Act, having its registered office at 6th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001 and includes;
  - a) all properties and assets, whether movable or immovable, including all rights, title, interest, covenant, undertakings, of SBGIL;
  - b) all investments, loans and advances, including accrued interest thereon, of SBGIL;
  - c) all debts, borrowings and Liabilities, whether present or future, whether secured unsecured, of SBGIL;
  - d) all permits, rights, entitlements, licenses, tenancies, offices, trademarks, service marks, privileges and benefits of all contracts, agreements and all

other rights including lease rights, licenses, powers and facilities of every kind and description whatsoever of SBGIL;

- e) all employees of SBGIL; and
- f) all earnest monies and/or security deposits, payment against warrants or other entitlements of SBGIL;

1.8 **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Arrangement, in its present form or with any modifications(s) made under Clause 15 of this Scheme as approved or directed by the High Court or any other appropriate authority.

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

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or directed by the High Court or any other appropriate authority shall be operative from the Appointed Date(s) but shall be effective from the Effective Date.

## 3. SHARE CAPITAL

3.1 The share Capital of DSCL as per the latest audited balance sheet as on March 31<sup>st</sup>, 2009 is as under :

	(Rs.)
<b>Authorised Capital</b>	
249,950,000 Equity Shares of Rs. 2 each	499,900,000
6,501,000 Redeemable Preference Share of Rs.100 each	650,100,000
<b>Total</b>	<b>1,150,000,000</b>
<b>Issued</b>	
169,803,320 Equity shares of Rs 2 each	339,606,640
<b>Total</b>	<b>339,606,640</b>
<b>Subscribed and Paid-up</b>	
165,903,320 Equity Shares of Rs. 2 each fully paid-up	331,806,640
Add : Forfeited shares	1,560,000
<b>Total</b>	<b>333,366,640</b>

3.2 The Share Capital of SBGIL as per the latest audited balance sheet as on March 31<sup>st</sup>, 2009 is as under

	(Rs.)
<b>Authorised Capital</b>	
7,000,000 Equity Shares of Rs. 10 each	70,000,000
<b>Issued, Subscribed and Paid-up</b>	
5,723,657 Equity Shares of Rs. 10 each fully paid-up	57,236,570

The entire share capital of SBGIL is held by DSCL along with its subsidiaries.

## PART - II

### MERGER OF SBGIL WITH DSCL

#### **4. TRANSFER AND VESTING OF UNDERTAKING**

- 4.1 With effect from the Appointed Date and upon the Scheme becoming effective, the entire business and undertaking of SBGIL shall, under the provisions of Sections 391 and 394 and other applicable provisions, if any, of the Act, and pursuant to the orders of the High Court or other appropriate authority, if any, sanctioning the Scheme shall without any further act, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in DSCL so as to become the properties and liabilities of DSCL consistent with Section 2(1B) of the Income Tax Act, 1961.
- 4.2 Without prejudice to the generality of the above said Clause:
- a) With effect from the Appointed Date and upon the Scheme becoming effective, any statutory licenses, permissions, approvals, registrations, trademarks, brands, consents etc held by SBGIL shall stand vested in or transferred to DSCL without any further act, deed, matter or thing and shall be appropriately mutated/ registered by the Statutory Authorities concerned in favour of DSCL. The benefit of all statutory and regulatory licenses, permissions, approvals, registrations or consents of SBGIL shall vest in and become available to DSCL pursuant to this Scheme.
  - b) In respect of all the movable assets owned by SBGIL as on the effective date and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery or novation, including cash on hand, shall be so transferred to DSCL and deemed to have been physically handed over or by endorsement and delivery, as the case may be, to DSCL to the end and intent that the property and benefit therein passes to DSCL with effect from the Appointed date.
  - c) In respect of the movable assets owned by SBGIL as on the effective date, other, than those mentioned in Clause (b) above, including actionable claims, sundry debtors, outstanding loans, advances, whether recoverable in cash or kind or for value to be received and deposits, if any with the local and other authorities, body corporates, customers etc, SBGIL shall, if so required by DSCL, issue notices in such form as DSCL may deem fit and proper stating that pursuant to the sanction to the Scheme, the relevant debt, loan, advance or other asset, be paid or made good or held on account of DSCL, as the person entitled thereto, to the end and intent that the right of SBGIL to recover or realize the same stands transferred to DSCL and that appropriate entries should be passed in their respective books to record the aforesaid changes.
  - d) With effect from the Appointed date and upon the Scheme becoming effective, the immovable properties standing in the books of SBGIL, and any documents

of title/rights and easements in relation thereto shall be deemed to have been vested in and transferred to DSCL and shall belong to DSCL. The mutation in the name of DSCL of immovable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favour of DSCL. Any inchoate title or possessory title of SBGIL shall be deemed to be the title of DSCL.

- e) All taxes of any nature, duties, cess or any other like payment or deductions made by SBGIL to any statutory authorities such as Income Tax, Service Tax, etc. or any tax deduction / collection at source, relating to the period after the Appointed date up to the effective date shall be deemed to have been on account of or on behalf of or paid by DSCL and the relevant authorities shall be bound to transfer to the account of and give credit for the same to DSCL upon the passing of the order on this Scheme by the High Court upon relevant proof and documents being provided to the said authorities,
- f) All cheques and other negotiable instruments, payment orders received in the name of SBGIL after the Effective Date shall be accepted by the Bankers of DSCL and credited to the account of DSCL. Similarly, the Banker of DSCL shall honour cheques issued by SBGIL for payment after the Effective Date.
- g) It is expressly clarified that upon the Scheme becoming effective all taxes payable by SBGIL from the Appointed date onwards shall be treated as the tax liability of DSCL; similarly all credits for tax deduction at source on income of SBGIL; or obligation for deduction of tax at source on any payment made by or to be made by SBGIL shall be made or deemed to have been made and duly complied with if so made by DSCL or SBGIL. Similarly any advance tax payment required to be made for by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by SBGIL.
- h) With effect from the Appointed date, all debts, liabilities (including contingent liabilities) duties and obligations of every kind, nature and description of SBGIL, shall be deemed to have been transferred to DSCL and to the extent they are outstanding on the Effective Date shall, without any further act, deed, matter or thing, be and stand transferred to DSCL and shall become the liabilities and obligations of DSCL which shall undertake to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities and obligations have arisen in order to give effect to the provisions of this Clause.
- i) Where any of the debt, liabilities (including contingent liabilities), duties and obligations of SBGIL as on the Appointed date, deemed to be transferred to DSCL have been discharged by SBGIL after the Appointed date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of DSCL and all loans raised and used and all liabilities and obligations incurred by SBGIL after the Appointed date and prior to the Effective



Date shall be deemed to have been raised, used or incurred for and on, behalf of DSCL and to the extent they are outstanding on, the Effective Date, shall also without any further act, deed, matter or thing shall stand transferred to DSCL and shall become the liabilities and obligations of DSCL which shall undertake to meet, discharge and satisfy the same and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such loans and Liabilities have arisen in order to give effect to the provisions of this Clause.

- j) DSCL shall not be required to create any additional security over assets acquired by under the scheme for any loans, deposits or facility availed or raised by it.
- k) Any inter-se contracts between SBGIL and DSCL shall stand adjusted and vest in DSCL upon sanction of the scheme and upon the scheme becoming effective.
- l) The borrowing Limits of DSCL in terms of Section 293 (1) (d) of the Act shall without further act, instrument, permission, consent, approval or deed stand enhanced as required by an amount equivalent to the authorized borrowings limit of SBGIL such limits being incremental to the existing Limit of DSCL.
- m) All the Loans and advances extended or notes issued by DSCL to SBGIL and vice-versa shall stand cancelled and SBGIL and DSCL, as the case may be, shall have no further obligation in that behalf.

- 4.3 Upon the Scheme becoming effective, SBGIL shall be dissolved without being wound up.

## **5. DIVIDEND, BONUS SHARES**

SBGIL shall not without the prior consent of DSCL utilize the profits, if any, for the period from and after the Appointed date, for declaring or paying any dividends, or capitalizing profits by issue of bonds shares.

## **6. ISSUE OF SHARES**

- 6.1 The entire issued, subscribed and paid up share capital of SBGIL is held by DSCL and two of its subsidiaries - Shriram Bioseeds Limited (SBL) and Zeus Investments Limited (ZIL) incorporated under the laws of Mauritius. Since DSCL is not permitted to issue shares to itself or to its Subsidiary under the provisions of the Act, no new Equity shares shall be issued or allotted by DSCL to itself or its subsidiaries, as consideration of amalgamation of SBGIL

## **7. INCREASE IN AUTHORIZED SHARE CAPITAL**

- 7.1 Upon the coming into effect of this Scheme, the Authorized Share Capital of DSCL shall automatically stand increased without any further act, deed or, thing on the part

of DSCL to the aggregate of the authorized share capital of DSCL and SBGIL i.e. Rs. 1,220,000,000 and the statutory fee already discharged by SBGIL with the concerned Registrar of Companies under the Companies Act, 1956 in connection with its authorised share capital would be for all purposes deemed to have been discharged by DSCL. Consequently, all the relevant Clauses of the Memorandum of Association and the relevant Article of Association of the Amalgamated Company (relating to authorised share capital) shall, without any further act, instrument or deed, be and shall stand altered, modified and amended pursuant to Sections 16, 31, 94 and other applicable provisions of the Companies Act, as the case may be, in the manner set out below and be replaced by the following clause :

*"The authorised share capital of the Company is Rs. 1,220,000,000 divided into 284,950,000 equity shares of Rs. 2/- each and 6,501,000 preference shares of Rs. 100/- each with such rate of dividend and with such rights as may be determined by the Board of Directors at the time of issue thereof."*

- 7.2 The approval of this Scheme by the shareholders of the Amalgamated Company shall be deemed to be the approval for consents and approvals required in this regard. Also the approval of the scheme by the Hon'ble High Court of Delhi would be sufficient consent of all other statutory approvals and permissions required for such increase/ amendment to the Memorandum of Association under the Companies Act or other statutes.

## **8. ACCOUNTING TREATMENT**

Upon the Scheme becoming effective and with effect from the Appointed date, the merger of SBGIL with DSCL shall be accounted as per Accounting Standard 14 issued by the Institute of Chartered Accountants of India such that:

- 8.1 Investments of DSCL in the equity share capital of SBGIL as appearing in their respective books of accounts shall stand cancelled.
- 8.2 DSCL shall, record all the assets and liabilities, including reserves and profit and loss of SBGIL vested in it pursuant to this Scheme, at their respective book values as on the Appointed date.
- 8.3 Investments of DSCL in the equity share capital of Shriram Bioseed Ventures Limited ('SBVL' ) as appearing in its books of accounts shall stand reduced to the extent of diminution in its value, if any.
- 8.4 The loans and advances inter-se between DSCL and SBGIL appearing in the books of accounts of either DSCL or SBGIL, if any, shall stand cancelled.
- 8.5 The difference in the value of net assets and reserves of SBGIL to be vested in DSCL as per Clause 8.2 above, adjusted for cancellation of the equity share capital as mentioned in Clause 8.1 above and reduction in value of investment held in SBVL as per Clause 8.3 above, would be credited to Reserves or debited to Goodwill of DSCL as the case may be.

- 8.6 In case of any difference in accounting policy between SBGIL and DSCL the impact of the same till appointed date will be quantified and adjusted in the general reserves of DSCL to ensure that the financial statements of DSCL reflect the financial position on the basis of consistent accounting policy.

## 9. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE

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

- 9.1 SBGIL, undertake to preserve and carry on its business, with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber or otherwise deal with or dispose of any undertaking or any part thereof save and except in each case:
- a) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court(s); or
  - b) if the same is expressly permitted by this Scheme; or
  - c) if the prior written consent of the Board of Directors of DSCL has been obtained.
- 9.2 SBGIL, shall carry on and be deemed to have carried on all business and activities and shall stand possessed of all the assets, rights, title and interest of SBGIL for and on account of, and in trust for DSCL.
- 9.3 All profits and cash accruing to or losses arising or incurred (including the effect of taxes if any thereon), by SBGIL, shall for all purposes, be treated as the profits/ cash, taxes or losses of DSCL.
- 9.4 All accretions and depletions to SBGIL, shall be for and on account of DSCL.
- 9.5 Any of the rights, powers, authorities, privileges, attached, related or pertaining to or exercised by SBGIL, shall be deemed to have been exercised by SBGIL, for and on behalf of, and in trust for and as an agent of DSCL. Similarly, any of the obligations, duties and commitments attached, related or pertaining to SBGIL, that have been undertaken or discharged by SBGIL, shall be deemed to have been undertaken for and on behalf of and as an agent for DSCL.
- 9.6 As and from the Appointed date and till the Effective Date:
- a) All assets and properties comprised in SBGIL, as on the date immediately preceding the Appointed date, whether or not included in the books of SBGIL and all assets and properties relating thereto, which are acquired by SBGIL on or after the Appointed date, in accordance with this Scheme, shall be deemed to be the assets and properties of DSCL.

- b) All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed date, whether or not provided in the books of SBGIL and all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to SBGIL, on or after the Appointed date in accordance with this Scheme, shall be deemed to be the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of DSCL.

- 9.7 SBGIL shall not vary the terms and conditions of service of its employees except in the ordinary course of its business.

## **10. STAFF, WORKMEN AND EMPLOYEES**

- 10.1 On the Scheme becoming effective, staff, workmen and employees, if any of SBGIL in service on the Effective Date shall be deemed to have become staff, workmen and employees of DSCL, with effect from the Appointed date without any break, discontinuance or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with DSCL shall not be less favourable than those applicable to them with reference to SBGIL on the Effective Date.
- 10.2 Further, it is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund and Pension and/ or Superannuation Fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and other employees, if any of SBGIL shall become the trusts /funds of DSCL, for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of SBGIL, in relation to such fund or funds shall become those of DSCL. It is clarified that the services of the staff, workmen and employees, if any of SBGIL, will be treated as having been continuous for the purpose of the said fund or funds.

## **11. LEGAL PROCEEDINGS**

All legal proceedings of whatsoever nature by or against SBGIL, pending and/or arising, on or after the Appointed date and relating to SBGIL shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against DSCL in the manner and to the same extent as would or might have been continued and enforced by or against SBGIL.

## **12. CONTRACTS, DEEDS, ETC.**

- 12.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature to which SBGIL is a party or to the benefit of which SBGIL may be eligible, and which are subsisting or have effect immediately

before the Effective Date, shall continue in full force and effect on or against or in favour of DSCL and may be enforced as fully and effectually as if, instead of SBGIL, DSCL had been a party or beneficiary obligee thereto or thereunder.

- 12.2 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, power of attorney given by, issued to or executed in favour of SBGIL shall stand transferred to DSCL, as if the same were originally given by, issued to or executed in favour of DSCL, and DSCL shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to DSCL. DSCL, shall make applications and do all such acts or things which may be necessary to obtain relevant approvals from the concerned Governmental Authorities as may be necessary in this behalf.

### **13. SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the assets, liabilities and obligations pertaining /relating to SBGIL, pursuant to this Scheme, and the continuance of the proceedings by or against DSCL, under Clause 11 hereof shall not affect any transactions or proceedings already completed by SBGIL, on and after the Appointed date to the end and intent that DSCL accepts all acts, deeds and things done and executed by and/or on behalf of SBGIL, as acts, deeds and things done and executed by and on behalf of DSCL.



### PART III

#### GENERAL TERMS AND CONDITIONS

#### 14. APPLICATION TO THE HIGH COURT

SBGIL and DSCL shall, with all reasonable dispatch, make applications/petitions under Sections 391-394 and other applicable provisions of the Act to the High Court of Judicature at Delhi or any other appropriate authority, for sanction of this Scheme under the provisions of law.

#### 15. MODIFICATIONS/AMENDMENT TO THE SCHEME

DSCL and SBGIL by their respective Board of Directors or Board Committee may assent to any, modifications/ amendments to the Scheme or to any conditions limitations that the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors). DSCL and SBGIL by their respective Board of Directors or Board Committee be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions of law or otherwise, whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

#### 16. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

- 16.1 The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the DSCL and SBGIL as prescribed in the Act and as may be directed by the High Court or any other appropriate authority as may be applicable.
- 16.2 The sanction of this Scheme by the High Court or any other appropriate authority under Sections 391 to 394 and other applicable provisions, if any of the Act in favour of DSCL and SBGIL.
- 16.3 Certified or authenticated copy of the Order sanctioning the Scheme being filed with the Registrar of Companies, NCT of Delhi & Haryana by DSCL and SBGIL.
- 16.4 The requisite, consent, approval or permission of the Central Government or any other statutory or regulatory authority, if any, which by law may be necessary for the implementation of this Scheme.

#### 17. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in Clause 16 not

being obtained and/or the Scheme not being sanctioned by the High Court or such other appropriate authority, if any, this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law and agreed between the respective parties to this Scheme. Each party shall bear and pay its respective costs, charges and expenses for and or in connection with the Scheme unless otherwise mutually agreed.

**18. COSTS, CHARGES AND EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) of DSCL and SBGIL arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by DSCL.

**END OF SCHEME**

**Name & Registered office of Petitioner No. 1/ Transferor Company**

Shriram Bioseed Genetics India Limited  
 having its registered office at  
 6th Floor, Kanchenjunga Building, 18 Barakhamba Road,  
 New Delhi -110 001

**SCHEDULE OF PROPERTY****PART I****(Description of Freehold Property)**

- a. Land and Buildings thereon
- Gundla Pochampally, Medchal Mandal  
 Ranga Reddy District, Andhra Pradesh  
 Survey No. 65 - (Part)  
 Area: 3 Acres
  - Kokkonda Village, Mulugu Mandal  
 Medak District, Andhra Pradesh  
 Survey Nos. 288-(Part), 289-(Part), 299-(Part), 300-(Part)  
 Area: 6 Acres 21 Gunthas
  - Kokkonda Village, Mulugu Mandal  
 Medak District, Andhra Pradesh  
 Survey Nos. 280-(Part), 281 -(Part), 290-(Part)  
 Area: 7 Acres 5 Gunthas
  - Kokkonda Village, Mulugu Mandal,  
 Medak District, Andhra Pradesh  
 Survey No. 278-(Part)  
 Area: 1 Acre 17 Gunthas
  - Kokkonda Village, Mulugu Mandal  
 Medak District, Andhra Pradesh  
 Survey No. 280-(Part)  
 Area: 1 Acre
  - Kokkonda Village, Mulugu Mandal,  
 Medak District, Andhra Pradesh  
 Survey No. 290-(Part)  
 Area: 1 Acre 37.5 Gunthas
  - Kokkonda Village, Mulugu Mandal,  
 Medak District, Andhra Pradesh  
 Survey Nos. 290-(Part), 181, 274, 276 - (Part)  
 Area: 3 Acres 15 Gunthas

- Kokkonda Village, Mulugu Mandal,  
Medak District, Andhra Pradesh  
Survey Nos. 54, 70, 71, 73  
Area: 2 Acres 21.25 Gunthas
- Kokkonda Village, Mulugu Mandal,  
Medak District, Andhra Pradesh  
Survey No. 308  
Area: 30 Gunthas
- Kokkonda Village, Mulugu Mandal,  
Medak District, Andhra Pradesh  
Survey Nos. 284, 307  
Area: 26 Gunthas

**PART II**  
**(Description of the Leasehold Property)**

- 214-A, Sahara Shopping Centre, 2nd Floor,  
Faizabad Road  
Lucknow, Uttar Pradesh
- D. No. 10, Subhash Society, Navrangpura  
Ahmedabad, Gujarat
- Plot no. 418, F-Sector, N-1 CIDCO  
Aurangabad- 431 003, Maharashtra
- Plot No. 206, Road No. 14, Jubilee Hills,  
Hyderabad - 500 033, Andhra Pradesh
- Survey No. 65, Gundlapochampally Village  
Medchal Mandal,  
Ranga Reddy District, Andhra Pradesh
- D No. 8-2-293/82/J/A/120, Journalist Colony, Jubilee Hills,  
Hyderabad - 500 033, Andhra Pradesh
- Plot No. 101 and 103, IDA, Medchal  
Ranga Reddy District, Andhra Pradesh
- Survey No. 29/6  
Hussainpur, Toopran Mandal,  
Medak District, Andhra Pradesh

- Survey No. 31  
Mokila, Shankarapally Mandal  
Ranga Reddy District, Andhra Pradesh
- Survey Nos. 62, 63  
Munirabad, Medchal Mandal  
Ranga Reddy District, Andhra Pradesh
- Survey No. 33  
Mokila, Shankarapally Mandal  
Ranga Reddy District, Andhra Pradesh
- Survey Nos. 1, 24  
Gosaiguda, Medchal Mandal  
Ranga Reddy District, Andhra Pradesh
- Survey Nos. 64,65, 66, 74  
Munirabad, Medchal Mandal  
Ranga Reddy District, Andhra Pradesh
- Survey Nos. 1, 25/1  
Gosaiguda, Medchal Mandal,  
Ranga Reddy District, Andhra Pradesh
- Survey No. 24,  
Gosaiguda, Medchal Mandal  
Ranga Reddy District, Andhra Pradesh
- Survey Nos. 62, 67  
Munirabad, Medchal Mandal,  
Ranga Reddy District, Andhra Pradesh

### PART III

#### **(Description of all Stocks, Shares, Debentures and other charges in action)**

Short term loans and advances from banks are secured by hypothecation of stocks and other receivables and book debts both present and future and mortgage and charge in favour of banks of all immovable properties both present and future including movable machinery, machinery spares, tools and accessories both present and future.

#### **1. Investments**

**NIL**

Dated this the 19th August, 2010

By order of the Court

Sd/-  
Joint Registrar (Co.)  
for Registrar General



IN THE HIGH COURT OF DELHI AT NEW DELHI  
 ORIGINAL COMPANY JURISDICTION  
 COMPANY PETITION NO. 46 OF 2013  
 CONNECTED WITH  
 COMPANY APPLICATION (M) NO. 9 OF 2013

**MEMO OF PARTIES**

**IN THE MATTER OF SCHEME OF AMALGAMATION BETWEEN :**

**Bioseed Research India Limited,**  
 A COMPANY INCORPORATED UNDER  
 THE COMPANIES ACT, 1956 HAVING  
 ITS REGISTERED OFFICE AT  
 5th FLOOR, KANCHENJUNGA BUILDING,  
 18 BARAKHAMBA ROAD,  
 NEW DELHI-110001

**... Petitioner /  
 Transferor Company**

**AND**

**DCM Shriram Consolidated Limited**  
 A COMPANY INCORPORATED UNDER  
 THE COMPANIES ACT, 1956 HAVING  
 ITS REGISTERED OFFICE AT  
 5th FLOOR, KANCHENJUNGA BUILDING,  
 18 BARAKHAMBA ROAD,  
 NEW DELHI-110001

**... Petitioner /  
 Transferee Company**

**Filed By**

**Sd/-  
 [MAHESH AGARWAL]  
 AGARWAL LAW ASSOCIATES  
 ADVOCATES FOR THE PETITIONERS  
 34, BABAR LANE,  
 BENGALI MARKET  
 NEW DELHI-110001  
 Ph.: 23354330 & 23738122**

Place : New Delhi  
 Date : 21st January, 2013

IN THE HIGH COURT OF DELHI AT NEW DELHI  
 (ORIGINAL JURISDICTION)  
 IN THE MATTER OF THE COMPANIES ACT, 1956  
 AND  
 IN THE MATTER OF SCHEME OF AMALGAMATION  
 OF  
 COMPANY PETITION NO. 46/2013  
 CONNECTED WITH  
 COMPANY APPLICATION (M) NO. 9/2013

IN THE MATTER OF	Bioseed Reseach India Limited Having its registered Office at 5th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi-110001
	...Transferor Company
WITH	

IN THE MATTER OF	DCM Shriram Consolidated Limited Having its registered Office at 5th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi-110001
	...Transferor Company

**BEFORE HON'BLE DR. JUSTICE S. MURALIDHAR**  
**DATED THIS THE 22ND DAY OF MARCH 2013**

**ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956**

The above joint Petition came up for hearing on 22/03/2013 for sanction of Scheme of Amalgamation proposed to be made between Bioseed Research India Limited (hereinafter referred to as Transferor Company) and DCM Shriram Consolidated Limited (hereinafter referred to as Transferee Company). The Court examined the Petition, the Order dated 15/01/2013 passed in CA(M) 9/2013, whereby the requirement of convening and holding the meetings of equity shareholders, secured and unsecured creditors of the Transferor and Transferee Company was dispensed with for the purpose of considering and, if thought fit, approving with or without modification, the Scheme of Amalgamation annexed to the affidavit dated 07.01.2013 of Mr. J.K. Jain, Director of the Transferor Company and Mr. B.L. Sachdeva, authorized Signatory of the Transferee Company and the publication in the newspapers namely The Indian Express (English) and Jansatta (Hindi) both dated 12.03.2013 containing the notice of the Petition.

The Court also examined the Affidavit dated 13/03/2013 of the Regional Director, Northern region, Ministry of Corporate Affairs and observed that the objections made by the Regional Director no longer survive.

Upon hearing Mr. Mahesh Agarwal, Mr. Rajeev Kumar, Advocates for the Petitioner Companies, Mr. Rajiv Bahl, Advocate for the Official Liquidator, Mr. K.S. Pradhan, Dy. Registrar of Companies for Regional Director (Northern Region) and in view of the approval of the Scheme of Amalgamation without any modification by the Equity Shareholders, secured and unsecured creditors of the Transferee Company and in view of the report dated 12/03/2013 of the Official Liquidator stating therein that the affairs of the Transferor Company have not been conducted in a manner prejudicial to the interest of its member, creditors or to public interest and there being no investigation proceedings pending in relation to the Transferor Company and Transferee Company under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMATION set forth in Schedule-1, annexed hereto and Doth hereby declare the same to be binding on all the Shareholders and Creditors of the Transferor and Transferee Company and all concerned and doth approve the said Scheme of Amalgamation with effect from the appointed date i.e. 01/04/2013.

AND THE COURT DOTH FURTHER ORDER:

1. That in terms of the scheme, the properties, right and powers of the Transferor Company be transferred without further act or deed to the Transferor Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company therein but subject nevertheless to all charges now affecting the same; and
2. That in terms of the scheme, all liabilities and duties of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the transferor Company be continued be or against the transferee Company; and

4. So far as the share exchange ratio is concerned, the Scheme provides that;  
"11.1 The entire share capital of BRIL is held by DSCL. Since DSCL itself is the only shareholder of BRIL, no shares are to be issued or allotted by DSCL."; and
5. That the Transferee Company do within 30 days after the date of receipt of this Order cause a certified of this Order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Company shall be dissolved without undergoing the process of winding up and the concerned Registrar of Companies shall place all documents relating to the Transferor Company and registered with him on the file kept in relation to the Transferee Company and the files relating to the said Transferor and Transferee Company shall be consolidated accordingly ; and
6. It is clarified that this order will not be constructed as an order granting exemption from payment of stamp duty or taxes or any other charges, if payable in accordance with any law; or permission/compliance with any other requirement which may be specifically required under any law.
7. That any person interested shall be at liberty to apply to the court in the above matter for any directions that may be necessary.

**SCHEME OF AMALGAMATION**  
**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956**  
**AMONG**  
**DCM SHRIRAM CONSOLIDATED LIMITED**  
**AND**  
**BIOSEED RESEARCH INDIA LIMITED**  
**AND**  
**THEIR RESPECTIVE SHAREHOLDERS & CREDITORS**



**TABLE OF CONTENTS**

- Preamble
- Part I deals with Definitions and Share Capital
- Part II deals with Amalgamation of Bioseed Research India Limited with DCM Shriram Consolidated Limited in accordance with Sections 391 to 394 of the Companies Act, 1956
- Part III deals with Consideration and Accounting Treatment
- Part IV deals with the General Terms and Conditions applicable to this Scheme

## PREAMBLE

1. **BIOSEED RESEARCH INDIA LIMITED** (hereinafter referred to as “**Transferor Company**” or “**BRIL**”) is a company incorporated under the Companies Act, 1956, having its registered office at 5<sup>th</sup> Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001. BRIL is a 100% subsidiary of DCM Shriram Consolidated Limited

BRIL is a research and development company engaged in research and development of all types of seeds, seedling, sapling and plantlet through modern techniques such as plant breeding and biotechnology and licence / sell the technology developed thereof

2. **DCM SHRIRAM CONSOLIDATED LIMITED** (hereinafter referred to as “**Transferee Company**” or “**DSCL**”) is a listed company incorporated under the Companies Act, 1956, having its registered office at 5<sup>th</sup> Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001.

DSCL is a diversified and integrated business entity with presence across the entire Agri Rural value chain and Chloro-Vinyl industry. Key businesses in Agri rural value chain are Bioseeds, Urea, Sugar, Farm Solutions; in Chloro-Vinyl chain are Chlor-Alkali, Plastics; Cement and Fenesta Building Systems among others.

3. This Scheme of Amalgamation is under Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956 for merger of BRIL into DSCL.
4. Part II of this Scheme of Amalgamation is consistent with the provisions of Section 2(1B) of the Income-tax Act, 1961 whereby:
  - i. all the property of the Transferor Company immediately before the amalgamation becomes the property of the Transferee Company by virtue of the amalgamation;
  - ii. all the liabilities of the Transferor Company immediately before the amalgamation become the liabilities of the Transferee Company by virtue of the amalgamation;
  - iii. shareholders holding not less than 3/4th in value of the shares in the Transferor Company (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the Transferee or its subsidiary) become shareholders of the Transferee Company by virtue of the amalgamation.

The provisions of the scheme are to be read so far as circumstances permit to be consistent with the requirements of section 2(1B) of the Income tax Act, 1961.

5. Rationale of the Scheme

Under Part II of the Scheme of Amalgamation, it is intended to merge BRIL into DSCL. The Scheme of Amalgamation would benefit the aforesaid companies on account of the following reasons:

- i. BRIL is a 100% subsidiary of DSCL. Currently BRIL carries out research and development activities with respect to hybrid seeds which are then 'SBG' licensed to division of DSCL for (production, processing and marketing of bioseeds). Consolidation of seed business operations into one company will enable DSCL to expand the bioseed business due to better improved synergies;
- ii. Integration of seed business in DSCL will enable the company to become one stop shop for seed related business thereby enabling it to provide composite, end to end solutions to the customers in the seeds industry – starting from research and development of hybrid seeds to production and distribution of various seed varieties and attracting customers;
- iii. Enable DSCL to strengthen its balance sheet and leverage the cash flows of BRIL for financing the growth of SBG division of DSCL
- iv. Enable better leverage of facilities, infrastructure and human resources, better management, control and running of the Bioseed business by DSCL; and
- v. The merger will result in significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by DSCL and BRIL and eliminate multiple book record-keeping.

The said Scheme of Amalgamation is beneficial to both the companies, their shareholders, creditors, employees and all concerned and will enable these companies to achieve and fulfil their objectives more efficiently and economically. The said scheme will contribute in furthering and fulfilling the objective of DSCL and BRIL and in the growth and development of their business; and

None of the directors of DSCL and BRIL have any material interest in the scheme except as shareholders in general.

## PART I

### DEFINITIONS AND SHARE CAPITAL

#### 1. DEFINITIONS

For the purposes of this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as mentioned herein below:-

- 1.1 **“Act”** means the Companies Act, 1956 or any statutory modifications, amendments or re-enactments thereof for the time being in force.
- 1.2 **“Appointed Date for merger”** means 1st April, 2013 (Opening business hours), the date with effect from which this Scheme shall come into effect, or such other date as may be approved by the High Court (as defined hereinafter) for merger of BRIL with DSCL under Part - II of this Scheme.
- 1.3 **“Board of Directors”** in relation to BRIL and DSCL, as the case may be, shall mean their respective Board of Directors, and unless it is repugnant to the context or otherwise, shall include committee of directors or any person authorised by the Board of Directors or such committee of directors.
- 1.4 **“BRIL” or “Transferor Company”** means Bioseed Research India Limited, an existing company incorporated under the Indian Companies Act, 1956, as amended and having its registered office at 5<sup>th</sup> Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi – 110001 and includes:-
  - a) all assets wherever situated, whether movable or immovable, tangible or intangible, including all plant and machinery, buildings, offices, investments, interest, furniture, fixtures, office equipment, appliances, accessories, technology together with all present and future liabilities (including contingent liabilities) pertaining or relatable to BRIL;
  - b) all permits, entitlements, rights and benefits (including rights and benefits under any agreements, contracts, government contracts, memorandum of understanding), municipal permissions, approvals, consents, offices, factories and depots, business contracts and research activities, brands, patents, copyrights, all other intellectual property, investments and/or interest (whether vested, contingent or otherwise) in projects undertaken by BRIL, either solely or jointly with other parties, cash balances, deferred tax benefits, Minimum Alternate Tax (‘MAT’) credit, funds belonging or proposed to be utilised for BRIL, privileges, all other claims, and all other benefits (including under any powers of attorney issued by BRIL or any powers of attorney issued in favour of BRIL or from or by virtue of any proceeding before a legal, quasi judicial authority or any other statutory authority to which BRIL were a party to), powers and facilities of every kind and description whatsoever of BRIL, all grants, subsidies, concessions and incentives, of any kind and nature, granted by Central/ State Government in favour of or otherwise enjoyed by BRIL, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to BRIL;

- c) all earnest moneys, advances and/or security deposits paid by BRIL; and
- d) all necessary records, files, papers, and research information, computer programmes, manuals, data, catalogues, and other records whether in physical or electronic form in connection with or relating to BRIL.
- e) all secured and unsecured debts, liabilities (including contingent liabilities), guarantees and obligations of BRIL, in relation to the business contracts and other obligations, duties and sums owing (including without limitation, outstanding liabilities in relation to tax, liabilities arising under any contract, or out of the supply of products or services, security deposits, interest on loans, statutory and other liabilities whether actual or, in the case of periodical payments, accrued, due, or contingent or otherwise payable to any person by BRIL).

1.5 **“Court”** means the Hon'ble High Court of Delhi at New Delhi.

1.6 **“DSCL” or “Transferee Company”** means DCM Shriram Consolidated Limited, an existing company incorporated under the Indian Companies Act, 1956, as amended and having its registered office at 5th Floor, Kanchenjunga Building, 18 Barakhamba Road, New Delhi - 110001.

1.7 **“Effective Date”** means the date on which the certified copy of the Order of the Hon'ble High Court of Judicature at Delhi or National Company Law Tribunal or any other appropriate authority under Sections 391 to 394 of the Act, sanctioning the Scheme is filed with the Registrar of Company, Delhi & Haryana.

1.8 **“NCLT”** means National Company Law Tribunal. NCLT is not yet formed due to pending notification of the Company Amendment Act, 2002. On formation, NCLT shall have the powers to discharge matters pending before the High Court.

1.9 **“Scheme” or “Scheme of Amalgamation”** means Part I, II, III and IV of this Scheme of Amalgamation. The expressions, which are used in the scheme and not defined therein shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Companies Act, 1956, The Income-tax Act, 1961 and other applicable laws, rules, regulations, bye laws, as the case may be, including any statutory modification or re-enactment, thereof, from time to time. In particular, wherever reference is made to the High Court in the Scheme, the reference would include, if appropriate, reference to the NCLT or such other forum or authority, as may be vested with any of the powers of the High Court under Sections 391 to 394 of the Act.

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

2.1 The Scheme set out herein in its present form shall be effective from the Appointed Date of merger, upon occurrence of the Effective Date.

2.2 Any reference in this Scheme to “upon the Scheme becoming effective” or “upon the Scheme coming into effect” or “upon the coming into effect of this Scheme” shall mean the Effective Date.

## SHARE CAPITAL

3.1 The share capital of BRIL, as on 31<sup>st</sup> day of March, 2012 was as under:

Share Capital	Amount (in Rs)
<b>Authorized capital</b>	
2,00,000 equity shares of Rs. 100 each	20,000,000
<b>Total</b>	<b>20,000,000</b>
<b>Issued, subscribed and paid-up share capital</b>	
37,424 equity shares of Rs. 100 each fully paid up	3,742,400
<b>Total</b>	<b>3,742,400</b>

The entire share capital of BRIL is held by DSCL.

There is no change in the issued equity share capital of BRIL post 31<sup>st</sup> day of March, 2012.

3.2 The Share Capital of DSCL, as on 31<sup>st</sup> day of March, 2012 is as under:

Share Capital	Amount (in Rs)
<b>Authorized capital</b>	
284,950,000 Equity Shares of Rs. 2 each	569,900,000
6,501,000 Cumulative Redeemable Preference Shares of Rs 100 each	650,100,000
<b>Total</b>	<b>1,220,000,000</b>
<b>Issued share capital</b>	
169,803,320 Equity shares of Rs 2 each	339,606,640
<b>Total</b>	<b>339,606,640</b>
<b>Subscribed and Paid-up</b>	
165,903,320 Equity Shares of Rs 2 each fully paid-up	331,806,640
<b>Add: Forfeited shares</b>	1,560,000
<b>Total</b>	<b>333,366,640</b>

There is no change in the issued equity share capital of the Transferee Company post 31<sup>st</sup> day of March, 2012.



## PART II

### MERGER OF BRIL WITH DSCL

#### 4. MERGER AND VESTING OF UNDERTAKING

- 4.1 Subject to the provisions of the Scheme in relation to the modalities of vesting upon occurrence of the Effective Date and with effect from the Appointed Date of merger, the entire business and undertaking of BRIL shall under the provisions of Sections 391 and 394 and other applicable provisions, if any, of the Act, and pursuant to the orders of the High Court or other appropriate authority, if any, sanctioning the Scheme shall without any further act, approval, deed, matter or thing, stand transferred to and vested in and/or deemed to be transferred to and vested in DSCL so as to become the properties and liabilities of DSCL consistent with Section 2(1B) of the Income Tax Act, 1961

Without prejudice to the generality of the above said clause, BRIL's business shall stand vested in DSCL in the manner described in sub-paragraphs 4.1.1 – 4.1.10:-

- 4.1.1 Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, all immovable property (including land, buildings and any other immovable property) of BRIL, whether freehold or leasehold, and any documents of title, rights and easements in relation thereto, shall stand vested in DSCL, without any act or deed done by BRIL or DSCL. Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, DSCL shall be entitled to exercise all rights and privileges and be liable to pay all taxes and charges including ground rent, and fulfill all obligations, in relation to or applicable to such immovable properties.
- 4.1.2 Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, all the assets of BRIL as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, shall stand vested in DSCL, and shall become the property and an integral part of DSCL. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested, and the title to such property shall be deemed to have transferred accordingly.
- 4.1.3 Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, all sundry debts, outstanding loans and advances, investments, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any with government, semi-government, local and other authorities and bodies, customers and other persons of BRIL shall without any act, instrument or deed become the property of DSCL
- 4.1.4 Upon occurrence of the Effective Date and with effect from the Appointed

Date of merger, all cheques and other negotiable instruments, payment orders received in the name of BRIL after the Effective Date shall be accepted by the bankers of DSCL and credited to the account of DSCL. Similarly, the Banker of DSCL shall honour cheques (if any) issued by BRIL for payment after the Effective Date.

- 4.1.5 Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, all debts, liabilities, contingent liabilities, duties, obligations and guarantees, secured or unsecured, whether or not provided for in the books of accounts or disclosed in the balance sheet of BRIL, shall become and be deemed to be the debts, liabilities, contingent liabilities, duties, obligations and guarantees of DSCL.
- 4.1.6 Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, all incorporeal or intangible property of BRIL (including but not limited to patent, know how, technology licences), shall stand vested in DSCL and shall become the property and an integral part of DSCL, without any act or deed done by BRIL or DSCL.
- 4.1.7 Upon the scheme coming into effect on the Effective Date and with effect from the Appointed Date of merger, any inter se contracts between BRIL and DSCL shall stand cancelled.
- 4.1.8 Upon the scheme coming into effect on the Effective Date and with effect from the Appointed Date of merger, all the loans and advances extended or notes issued by DSCL to BRIL and vice-versa (if any) shall stand cancelled and BRIL and DSCL, as the case may be, shall have no further obligation in that behalf.
- 4.1.9 In so far as the assets of BRIL are concerned, the existing securities, mortgages, charges, encumbrances or liens (hereinafter referred to as the "Encumbrances") over the assets or any part thereof, transferred to DSCL in terms of this scheme and relating to the liabilities of BRIL, shall, after the Effective date, without any further act or deed, continue to relate or attach to such assets or any part thereof, but such encumbrances shall not relate or attach to any of the assets and properties of DSCL or any part thereof or to any of the other assets of BRIL transferred to DSCL pursuant to this scheme, save to the extent warranted by the terms of any existing security arrangements to which BRIL and DSCL are party, and consistent with the joint obligations assumed by them under such arrangements.
- 4.1.10 The borrowing limits of DSCL in terms of Section 293 (1)(d) of the Act shall without further act, instrument, permission, consent, approval or deed stand enhanced as required by an amount equivalent to the authorized borrowings limit of BRIL, such limits being incremental to the existing limit of DSCL.

## **5. CONTRACTS, DEEDS, APPROVALS, EXEMPTIONS, ETC.**

- 5.1 Upon the scheme coming into effect on the Effective Date and with effect from the Appointed Date of merger, subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, trademarks, tenancies, privileges, powers, facilities, licenses of every kind and description of whatsoever nature, schemes, insurance policies, indemnities, guarantees, arrangements and other instruments, whether pertaining to immovable properties or otherwise of whatsoever nature to which BRIL, is a party or to the benefit of which BRIL, may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favor of DSCL, as the case may be and may be enforced as fully and effectually as if, instead of BRIL, DSCL had been a party or beneficiary or obligee thereto or there under.
- 5.2 Upon the scheme coming into effect on the Effective Date and with effect from the Appointed Date of merger, all statutory licenses, no-objection certificates, permissions, registrations, approvals, consents, permits, quotas, entitlements or rights required to carry on the operations of BRIL or granted to BRIL in relation to BRIL shall stand vested in DSCL without further act or deed, and shall be appropriately transferred or assigned by the statutory authorities concerned herewith in favour of DSCL upon merger of BRIL pursuant to this Scheme. The benefit of all statutory and regulatory permissions, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of BRIL shall vest in and become available to DSCL pursuant to this Scheme.
- 5.3 DSCL shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to which BRIL is a party, in order to give formal effect to the above provisions. DSCL shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writing on behalf of BRIL and to carry out or perform all such formalities or compliances referred to above on part of BRIL.

## **6. LEGAL PROCEEDINGS**

- 6.1 All legal proceedings of whatsoever nature by or against BRIL pending and/ or arising on or after the Appointed Date of merger shall not abate or be discontinued or be in any way prejudicially affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or against DSCL in the manner and to the same extent as would or might have been continued and enforced by or against BRIL.
- 6.2 After the Appointed Date of merger, if any proceedings are taken against BRIL, in respect of the matters referred to in the Clause 6.1 above, it shall defend the same

at the cost of DSCL, and DSCL shall reimburse and indemnify BRIL, against all liabilities and obligations incurred by BRIL in respect thereof.

- 6.3 DSCL undertakes to have all legal or other proceedings initiated by or against BRIL, referred to in Clause 6.1 above, transferred in its name respectively and to have the same continued, prosecuted and enforced by or against DSCL, to the exclusion of BRIL.

## **7. EMPLOYEES**

- 7.1 Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, all persons that were employed in BRIL, immediately before such date shall become employees of DSCL with the benefit of continuity of service on the same terms and conditions as were applicable to such employees of BRIL immediately prior to such transfer and without any break or interruption in service. It is clarified that the employees of BRIL who become employees of DSCL by virtue of this Scheme, shall continue to be governed by the terms of employment as were applicable to them immediately before such transfer and shall not be entitled to be governed by employment policies, and shall not be entitled to avail of any benefits under any scheme or settlement or otherwise that are applicable and available to any other employees of DSCL, unless and otherwise so stated by DSCL in writing in respect of all employees, class of employees or any particular employee. DSCL undertakes to continue to abide by any agreement/settlement, if any, entered into by BRIL with any of their respective union/employee thereof.
- 7.2 With regard to provident fund, gratuity fund, superannuation fund, leave and other benefit plans or any other special fund or obligation created or existing for the benefit of employees of BRIL, upon occurrence of the Effective Date and with effect from the Appointed Date of merger, DSCL shall stand substituted for BRIL, for all purposes whatsoever relating to the obligation to make contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents. The existing gratuity fund, superannuation funds and or any other special fund or obligation, if any, created by BRIL for its employees shall be continued for the benefit of such employees on the same terms and conditions. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of BRIL in relation to such schemes or funds shall become those of DSCL.

## **8. CONDUCT OF BUSINESS UNTIL THE EFFECTIVE DATE**

- 8.1 With effect from the Appointed Date of merger and upto and including the Effective Date:
- (i) BRIL shall carry on and be deemed to have been carrying on all its business and activities, for and on behalf of and in trust for DSCL.
  - (ii) All assets and properties comprised in BRIL, as on the date immediately



preceding the Appointed date, whether or not included in the books of BRIL and all assets and properties relating thereto, which are acquired by BRIL on or after the Appointed date, in accordance with this Scheme, shall be deemed to be the assets and properties of DSCL.

- (iii) All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the Appointed date, whether or not provided in the books of BRIL and all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to BRIL on or after the Appointed date in accordance with this Scheme, shall be deemed to be the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of DSCL.
- (iv) All profits accruing or arising to BRIL and all taxes thereof (including but not limited to advance tax, tax deducted at source, minimum alternative tax credit, banking cash transaction tax, service tax, etc) or losses arising or incurred by it shall, for all purposes, be treated as the profits, taxes or losses, as the case may be, of DSCL.
- (v) BRIL shall carry on its business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its respective assets, except-
  - i. When the same is in the ordinary course of business as carried on by BRIL; or
  - ii. When the same is expressly provided in the Scheme; or
  - iii. When written consent of DSCL has been obtained in this regard.

(vi) All accretions and depletions to BRIL shall be for and on account of DSCL.

8.2 DSCL shall be entitled to apply to the Central and/or the State Governments, and all other agencies, departments and authorities concerned as are necessary under any law, for such consents, approvals and sanctions, which DSCL may require to own and operate the merged business of BRIL.

8.3 With effect from the Effective Date, DSCL shall commence and shall be authorized to carry on the businesses of BRIL, reproduced hereunder, which shall form part of DSCL's 'main objects', without any further act/approval of shareholders/authorities.

*"To develop, improve all types of seeds, seedling, sapling and plantlet through modern techniques such as Plant Breeding, Biotechnology; and sell/license the technology developed thereof*

- 8.4 DSCL unconditionally and irrevocably agrees and undertakes to pay, discharge and satisfy all the liabilities and obligations of the Transferee business with effect from the Appointed Date of merger, in order to give effect to the foregoing provisions.

**9 TAXES, DUTIES, CESSSES, ETC.**

- 9.1 Upon occurrence of the Effective Date and with effect from the Appointed Date of merger, all taxes of any nature, duties, cesses or any other like payment or deductions made by BRIL to any statutory authorities such as income tax, service tax etc. or any tax deduction / collection at source, shall be deemed to have been on account of or paid by DSCL and the relevant authorities shall accordingly transfer to the account of and give credit for the same to DSCL upon the passing of the orders on this Scheme by the Court upon relevant proof and documents being provided to the said authorities. Similarly, any payment made by BRI under Minimum Alternate Tax under section 115 JB read with section 115JAA of the Income Tax Act, 1961, for any of the years and being eligible for credit shall get transferred to and be available to DSCL for carry forward and set off against tax on future taxable income of DSCL.



### PART III

#### CONSIDERATION AND ACCOUNTING TREATMENT

#### 10. INCREASE IN AUTHORIZED SHARE CAPITAL

10.1 Upon the coming into effect of this Scheme, the Authorized Share Capital of BRIL of Rs. 20,000,000 divided into 2,00,000 equity shares of Rs. 100 each shall be added to the authorized share capital of DSCL and the authorized share capital shall automatically stand enhanced to an amount of Rs. 1,240,000,000 divided into 294,950,000 equity shares of Rs. 2 each and 6,501,000 cumulative redeemable preference shares of Rs. 100 each.

10.2 Consequently, all the relevant clauses of the Memorandum of Association of DSCL (relating to authorized share capital) shall, without any further act, approvals, instrument or deed, be and shall stand altered, modified and amended pursuant to Sections 16, 31 and 94 and other applicable provisions of the Companies Act, as the case may be, in the manner set out below and be replaced by the following clause:

*"The authorized share capital of the Company is Rs. 1,240,000,000 divided into 294,950,000 equity shares of Rs. 2 each and 6,501,000 preference shares of Rs. 100 each with power to increase or reduce the capital of the company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions, as may be determined, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company".*

10.3 The approval of this Scheme by the shareholders of DSCL shall be deemed to be the approval for consents and approvals required in this regard. Also the approval of the Scheme by the Hon'ble High Court of Delhi would be sufficient consent of all other statutory approvals and permissions required for such increase/ amendment to the Memorandum of Association under the Companies Act, 1956 or other statutes.

#### 11. ISSUE OF SHARES

11.1 The entire share capital of BRIL is held by DSCL. Since DSCL itself is the only shareholder of BRIL, no shares are to be issued or allotted by DSCL.

#### 12. ACCOUNTING TREATMENT

12.1 Upon the Scheme becoming effective and with effect from the Appointed date, the merger of BRIL with DSCL shall be accounted as per 'pooling of interest method' prescribed under Accounting Standard 14 – 'Accounting for

Amalgamation' issued by the Institute of Chartered Accountants of India, such that:

- 12.2 DSCL shall, record all the assets and liabilities, including reserves and profit and loss account of BRIL vested in it pursuant to this Scheme, at their respective book values and under respective heads as on the Appointed date.
- 12.3 The loans and advances, liabilities, inter-se between DSCL and BRIL appearing in the books of accounts of either DSCL or BRIL, if any, shall stand cancelled.
- 12.4 Investments of DSCL in the equity share capital of BRIL shall stand cancelled. The difference between investment so cancelled and equity share capital of BRIL would be adjusted against Capital Reserve and the balance, if any, against General Reserve of DSCL

## **Part IV**

### **GENERAL TERMS AND CONDITIONS**

#### **1. APPLICATION TO COURT**

BRIL and DSCL shall, as may be required, make applications and/or petitions under sections 391-394 of the Act and other applicable provisions of the Act to the Court for sanction of this Scheme, convening or seeking exemption to convene meetings of shareholders and creditors.

Upon the sanction of the Scheme and after the Scheme has become effective, with effect from the Appointed Date, the merger of BRIL with DSCL in accordance with Section 2(1B) of the Income Tax Act, 1961, shall be deemed to have occurred.

#### **2. MODIFICATION OR AMENDMENTS TO THE SCHEME**

- 2.1 BRIL and DSCL, through their respective Boards of Directors (which shall include any committee constituted by the respective Boards) may assent to any modifications/ amendments to the Scheme or to any conditions or limitations that the Court and/or any other authority may deem fit to direct or impose or which may be otherwise considered necessary, desirable or appropriate by them.
- 2.2 BRIL and DSCL (acting through their respective Board of Directors or committee) be and is hereby authorized to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to this Scheme.

#### **3. CONDITIONALITY OF THE SCHEME**

This scheme shall be conditional upon and subject to:

- 3.1 Scheme being approved by the requisite majorities in number and value of the members and/or creditors of BRIL and DSCL as may be directed by the Court or any other competent authority, as may be applicable.
- 3.2 Scheme being sanctioned by the Court or any other authority under Sections 391-394 of the Act.
- 3.3 The receipt of requisite governmental or regulatory approvals and consents, if any.
- 3.4 Certified copy of the order of the Court sanctioning this Scheme being filed with the Registrar of Company, NCT of Delhi and Haryana, by DSCL.

#### **4. COSTS, CHARGES & EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by DSCL.

**5. FILING /AMENDMENT OF RETURNS**

DSCL is expressly permitted to file/revise its income tax, service tax and other statutory returns, consequent to the Scheme becoming effective, notwithstanding that the period for filing/ revising such returns may have lapsed. DSCL is expressly permitted to amend TDS/TCS and other statutory certificates and shall have the right to claim refunds, advance tax credits, MAT credits, service tax credits, set offs and adjustments relating to their respective incomes / transactions from the Appointed Date.

**6. DISSOLUTION OF TRANSFEROR COMPANY**

Upon the scheme becoming effective, BRIL shall, without any further act or deed, stand dissolved without being wound up.

**7. SAVING OF CONCLUDED TRANSACTIONS**

The transfer and vesting of the assets, liabilities and obligations of BRIL as per this Scheme and the continuance of the legal proceedings by or against DSCL, shall not affect any transaction or proceedings already completed by BRIL on or before the Appointed Date to the end and intent that DSCL, accepts all acts, deeds and things done and executed by and/or on behalf BRIL, as acts deeds and things done and executed by and on behalf of DSCL.

## **Bioseed Research India Limited**

### **SCHEDULE OF PROPERTY**

#### **PART-1**

**(Description of Freehold property to be transferred as on 31st March 2013)**

TYPE OF PROPERTY	ADDRESS	BOOK VALUE (GROSS) Rs.
Buildings	Mokila Village, Shankarapally Mandal, Ranga Reddy District, AP	10,534,930
	Nutankal Village, Medchal Mandal, Ranga Reddy District, AP	1,499,941
	Janwada Village, Shankarapally Mandal, Ranga Reddy District, AP	3,749,940
Land	Nutankal Village, Medchal Mandal, Ranga Reddy District, AP	5,627,571
	Mokila Village, Shankarapally Mandal, Ranga Reddy District, AP	17,232,482
	Janwada Village, Shankarapally Mandal, Ranga Reddy District, AP	59,472,740

#### **PART-II**

**(Description of Leasehold property to be transferred as on 31st March 2013)**

TYPE OF PROPERTY	ADDRESS	BOOK VALUE (GROSS) Rs.
Not applicable	Not applicable	Not applicable

#### **PART-III**

**(Description of Stocks, debentures and other charges in action to be transferred as on 31.3.2013)**

TYPE OF PROPERTY	BOOK VALUE (GROSS) Rs.
<b>Fixed Assets:</b>	:
Computers	4,373,288
Furniture and Fixtures	2,549,246
Office Equipments	1,420,411
Plant and Machinery	72,617,983
Softwares	3,513,791
Vehicles	10,404,074
Long term loans and advances	155,128,062
Deferred Tax Asset	5,191,526
<b>Current Assets:-</b>	
Inventories	332,896
Trade Receivables	348,175,389
Cash and Cash Equivalents	35,610,278
Short terms loan and advances	33,137,534

The Company has obtained loans from Department of Biotechnology, Government of India. The same have been secured against hypothecation of plant and machinery, machinery spares, tools and accessories acquired from loan proceeds.

Dated this the 22nd day of March, 2013  
By order of the Court

Sd/-  
Joint Registrar (Co.)  
for Register General