

VOLTAS LIMITED

[CIN: L29308MH1954PLC009371]

MEMORANDUM OF ASSOCIATION AND ARTICLES OF ASSOCIATION

REGISTERED OFFICE:
VOLTASHOUSE 'A', DR. BABASAHEB AMBEDKAR ROAD,
CHINCHPOKLI, MUMBAI 400 033



Certificate Of Incorporation.

No. 9371 of 1954 -1955 .

I hereby certify that VOLTAS LIMITED

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

Given under my hand at Bombay

Sixth day of September

One thousand nine hundred and Fifty-four



(M.V. Varekhar) Registrar of Companies Bombay.

Certificate for Commencement of Business.



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

I hereby certify that the VOLTAS LIMITED.

which was incorporated under the Indian Companies Act, 1913, on the Sixth day of September 1954 and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 103 (1) (a) to (d) of the said Act, have been complied with, is entitled to commence business.

Given under my hand at Bombay
this Fourth day of October

One thousand nine hundred and Fifty-four



(Signature)
(M. V. Varkar)
Registrar of ~~Joint~~ Stock Companies.
Bombay.

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VOLTAS LIMITED

MUMBAI

MEMORANDUM OF ASSOCIATION

MEMORANDUM OF ASSOCIATION**OF****VOLTAS LIMITED**

- I. The name of the Company is VOLTAS LIMITED.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are:
 - (1) To acquire and take over from Messrs. Volkart Brothers the business of their Import & Engineering Division comprising the import, manufacture, assembly and sale of mechanical, electrical, textile, agricultural, refrigeration, airconditioning, pharmaceutical, chemical and all other products and goods, together with the lands, buildings, workshops, leases of immoveable properties and tenancies, plant, machinery, stock-in-trade, moveable and other properties of and connected with the said business and the benefit of all agencies and pending contracts and all or any other of the assets thereof including its goodwill and with a view thereto to enter into and carry into effect with all such, if any, modifications or alterations as may be agreed upon (whether before or after execution) the Agreement referred to in Article 3 of the Articles of Association of the Company and to become parties to and to enter into and carry into effect all such other agreements, deeds, instruments and assurances as may be necessary or as may be deemed advisable or proper.
 - (2) To carry on business as importers, import agents and sellers of mechanical, electrical, textile, agricultural, refrigeration, airconditioning, pharmaceutical, chemical and other products, apparatus, tools, appliances, machinery and goods of every description and as general merchants.
 - (3) To carry on the business of manufacturers, importers and exporters of and dealers in mechanical, electrical,

textile, agricultural, refrigeration, airconditioning, pharmaceuticals, chemicals, machinery, apparatus, tools, appliances, products and goods of every description.

- (4) To carry on the trade or business of Engineers (civil, mechanical and electrical), founders, smiths, machinists, manufacturers and contractors and to erect, construct, maintain, alter, repair, pull down and restore either alone or jointly with any other companies or persons, works of all descriptions, including wharves, docks, piers, railways, tramways, waterways, roads, bridges, warehouses, factories, mills, engines, machinery, railway carriages and wagons, ships and vessels of every description, gas works, electric works, water works, drainage and sewage works, and buildings of every description.
- (4A) (a) To promote any firm, company or undertaking in India or abroad and to undertake or take part in the formation, management, supervision or control of the business or operations or projects of any firm, company, body corporate, undertaking, person, institution, association, departments and services of the Government, public or local authorities, trusts, and scientific research & development centres in India or abroad and for that purpose to act as consultants, administrators, secretaries, receivers, agents or in any other capacity and to appoint and remunerate any Directors, administrators, managers or accountants or other experts or agents.
- (b) To act as technical advisers, consultants, market surveyors and to render technical knowhow, management and financial consultancy and other services to any firm, company, body corporate, undertaking, person, institution, association, departments and services of the Government, public or local authorities, trusts and scientific research & development centres in India or abroad and to undertake, aid, promote and co-ordinate project studies, arrange collaborations, prepare schemes, project reports, market research and studies, arrange technical, financial, legal and management agreements and arrangements, provide management personnel, supervise and set up production techniques, assist in finding markets for crops, produce and goods of every description of Indian and foreign origin, assist in securing

sound investments of foreign capital in Indian undertakings and enterprises and Indian capital in foreign undertakings and enterprises, promote technical training schemes and generally to act, undertake and execute all types of projects, process engineering, turn-key jobs and other works in India and abroad and give to new entrepreneurs of industry as well to those who are already established in industries of various kinds, suggestions for improving the techniques and methods of production, utilisation of plant and machinery to the best advantage, costing methods and procedures and stores and management accounting schemes.

- (c) To purchase, take on lease under licence or concession or in exchange or obtain assignment of or otherwise acquire agricultural or other land and run and manage experimental farms.
- (d) To engage in and conduct the business of research in the field of electronics; to carry on investigations and experiments of all kinds, to originate, develop and improve any discoveries, inventions, processes and formulae, particularly to manufacture, purchase or otherwise acquire, own, hold, operate, sell or otherwise transfer, lease, licence the use of, distribute or otherwise dispose of and generally to deal in, property of every kind and description, including without limitation of the generally of the foregoing, electronic, electrical and mechanical devices, apparatus, appliances and machines and parts thereof especially for the creation, reproduction, amplification, reception, transmission and retention of sound, signals, communications and also for all other processes, matters and things.
- (5) To buy, sell, import, manufacture, manipulate, treat, prepare and deal in merchandise, products, substances, commodities, articles and things of all kinds.
- (6) To transact and carry on agency business of every kind.
- (7) To be appointed and act as managing agents, managers or secretaries and treasurers of any company or concern and to do and perform all and singular the several duties, services and authorities appertaining to such office respectively and to comply with and to become bound by all restrictions, limitations and conditions appertaining to such offices respectively or imposed by the terms of any agreement or agreements entered into for any of the purposes aforesaid.

- (8) To carry on the business of carriers by sea, river, canal, road, railway, air and otherwise.
- (9) To land, clear and forward cargoes and goods and carry on business as muckdumps and landing and forwarding contractors, forwarding agents, warehousemen and bonded warehousemen.
- (10) To manufacture, import, export, purchase, hire or otherwise acquire, construct, sell, exchange, alter or improve and deal in, hire or let omnibuses, char-a-bancs, motor cars, motor cycles, trams, tractors, trucks, trolleys, aeroplanes, railways, steamers, launches, barges, country-crafts, engines, machinery and other chattels and things of any kind so constructed as to progress by means of automatic power, whether by means of oil, electricity, steam, gas or otherwise.
- (11) To carry on business as manufacturers and makers of and dealers in metal, wood, enamel, aluminium, alloys and any other products, substances, articles and things of every description and kind and to carry on and conduct workshops and foundries of iron, brass and other metals, wood and any other substances and to buy, sell, manipulate and deal, both wholesale and retail, in products, commodities, goods, articles and things of all kinds whatsoever.
- (12) To acquire from any sovereign, state or authority, supreme, municipal, local or otherwise, any concessions, grants or decrees, rights or privileges whatsoever which may seem to the Company capable of being turned to account and to work, develop, carry out, exercise and turn to account the same.
- (13) To carry on the business of manufacturers of and dealers in all kinds of medicines, medicinal preparations, chemicals including petro-chemicals, heavy and fine chemicals and agro-chemicals, pesticides, fertilisers, synthetic and manmade fibres, acids, drugs and other preparations and articles.
- (14) To acquire, construct, carry out, equip, maintain, alter, improve, develop, manage, work, sell, let on hire, deal in, control and superintend any electric light and gas works and power plant, telegraph, telephone, and wireless installations and all kinds of works, machinery, apparatus, reservoirs, waterworks, tanks, bridges, coolie lines and houses, markets, huts, roadways, tramways, airways, railways, railroads, bridges, canals, aqueducts, water-courses, dykes, drains, wharves, furnaces, crushing works, hydraulic works,

workshops, factories, warehouses, sheds, dwellings, offices, shops, stores, buildings and other works and conventions which may seem directly or indirectly conducive to any of the objects of the Company and to contribute to, subsidise or otherwise aid by taking part in any such operations.

- (15) To buy, sell, manufacture, repair, alter, improve, exchange, let on hire, import, export and deal in all works, plant, machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which the Company is competent to carry on or required by any customers of or persons having dealings with the Company or commonly dealt in by persons engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products or residual and by-products incidental to or obtained in any of the business carried on by the Company.
- (16) To manufacture from time to time and to manufacture and deal in all such stock-in-trade, goods, chattels and effects as may be necessary or convenient for any business for the time being carried on by the Company.
- (17) To apply for, tender, purchase, or otherwise acquire any contracts, sub-contracts, licences and concessions for or in relation to the objects or businesses herein mentioned or any of them and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
- (18) To sub-let all or any contracts from time to time and upon such terms and conditions as may be thought expedient.
- (19) To erect, construct, enlarge, alter or maintain buildings and structures of every kind necessary or convenient for the Company's business.
- (20) To purchase, take on lease, under licence or concession or in exchange, or obtain assignment of or otherwise acquire lands of every description and tenure, buildings, works, mines, mining rights, plantations, forests, licences, leases and any rights and privileges or interest therein and to explore, work, exercise, develop and to turn to account the same.
- (21) To purchase or by any other means acquire and protect, prolong and renew any patents, patent rights, brevets

d'invention, licences, protections, trade marks and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to spend money in experimenting upon and testing and improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.

- (22) To purchase, take on lease or in exchange or under amalgamation, licence or concession or otherwise, absolutely or conditionally, solely or jointly with others and make, construct, maintain, work, hire, hold, improve, alter, manage, let, sell, dispose of, exchange, roads, canals, watercourses, ferries, piers, wharves, aerodromes, airports, lands, buildings, warehouses, works, factories, mills, workshops, railways, sidings, tramways, engines, machinery and other apparatus, water rights, ways, leaves, trade marks, privileges or rights of any description or kind.
- (23) To insure any of the properties, undertakings, contracts, guarantees or obligations of the Company of every nature and kind in any manner whatsoever.
- (24) To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments; to undertake and carry on scientific and technical researches, experiments and tests of all kinds, to promote studies and researches both scientific and technical, investigations and inventions by providing, subsidising, and endowing or assisting laboratories, workshops, libraries, lectures, meetings, and conferences and by providing or contributing to the remunerations of scientific or technical professors or teachers and by providing or contributing to the award of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
- (24A) To undertake, carry out, promote and sponsor any agribusiness or programmes directly or in any other manner, including any programme for promoting the social and economic development and welfare of, or the uplift of the public in any rural area.
- (24B) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of the national economy and national welfare and to discharge

what the Directors consider to be the social and moral responsibilities of the Company to the consumers, employees, shareholders and to the public.

- (25) To carry on any other trade or business which may seem to the Company capable of being conveniently carried on in connection with any of the Company's objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property moveable or immoveable belonging to the Company or in which the Company may be interested.
- (26) To acquire and undertake the whole or any part of the business, property and liabilities of any person, firm or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purpose of this Company.
- (27) To acquire, deal with or dispose of any kind of property, moveable or immoveable and rights and to manage, let, mortgage, sell, underlet, dispose of or otherwise turn to account all or any of the property or rights of the Company whether immoveable or moveable including all and every description of machinery, apparatus or appliances, and to hold, use, cultivate, work, manage, improve, carry on and develop the undertaking land and immoveable and moveable property and assets of any kind of the Company or any part thereof.
- (28) To enter into partnership or into any arrangement for sharing or pooling profits, amalgamation, union of interests, co-operation, joint venture, reciprocal concession or otherwise or amalgamate with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or any business undertaking or transaction which may seem capable of being carried on or conducted so as directly or indirectly to benefit this Company.
- (29) To sell, let, exchange or otherwise deal with the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company and if thought fit to distribute the same among the shareholders of this Company.

- (30) To amalgamate with any company or companies having objects altogether or in part similar to those of this Company.
- (31) To pay for any properties rights or privileges acquired by the Company, either in shares of the Company or partly in shares and partly in cash or otherwise.
- (32) To promote any other company for the purpose of acquiring all or any of the property and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to benefit this Company.
- (33) To lend money or property on mortgage of immoveable property or on hypothecation or pledge of moveable property or without security to such person and on such terms as may seem expedient and in particular to customers of and persons having dealings with the Company. Provided the Company shall not carry on the Business of banking as defined by the Banking Companies Act.
- (34) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stock, contracts, mortgages, charges, obligations, instruments and securities of any company or of any authority, supreme, municipal, local or otherwise or of any persons whomsoever, whether incorporated or not incorporated, and generally to guarantee or become sureties for the performance of any contracts or obligations.
- (35) To obtain any order or Act of Legislature or Parliament for enabling the Company to obtain all powers and authorities necessary or expedient to carry out or extend any of the objects of the Company or for any other purpose which may seem expedient and to oppose any proceedings or applications which seem calculated directly or indirectly to prejudice the Company's interest.
- (36) To aid, pecuniarily or otherwise any association, body or movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (37) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.
- (38) To enter into any arrangements with the Government of India or with any States or with any authorities,

municipal, local or otherwise or with any persons, that may seem conducive to the Company's objects or any of them and to apply for and obtain and to purchase or otherwise acquire from any such Government, State authority or persons any rights, powers, privileges, licences, decrees, sanctions, grants and concessions whatsoever (whether statutory or otherwise) which the Company may think it desirable to obtain and acquire and to carry out exercise and comply with any such arrangements, rights, powers, privileges, licences, decrees, sanctions, grants and concessions.

- (39) To provide for the welfare of Directors or employees or ex-employees of the Company or its predecessors in business and the wives and families or the dependants or connections of such persons by building or contributing to the building of houses, dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses, profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profits sharing or other schemes, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.
- (40) To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any special or other fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures or redeemable preference shares or for any other purpose whatsoever conducive to the interest of the Company.
- (41) To make, draw, accept, endorse, execute and issue cheques, promissory notes, bills of exchange, bills of lading, debentures and other negotiable or transferable instruments or securities and to open bank accounts current or overdraft and operate on the same.
- (42) To accumulate funds and to invest or otherwise employ moneys belonging to the Company upon any shares, securities or other investments whatsoever upon such terms as may be thought proper and from time to time to vary such investments in such manner as the Company may think fit.
- (43) To acquire any shares, stocks, debentures, debenture stock, bonds, obligations or securities by original subscription, participation in syndicates, tender, purchase, exchange or otherwise and to subscribe for

the same, either conditionally or otherwise, and to guarantee the subscription thereof and exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

- (44) To invest and deal with the moneys of the Company in any investments moveable or immoveable in such manner as may from time to time seem expedient and be determined.
- (45) To borrow or raise money or to receive money on deposit at interest or otherwise in such manner as the Company may think fit, and in particular by the issue of debentures or debenture stock, perpetual or otherwise including debentures or debenture stock convertible into shares of this Company, or perpetual annuities, and in security of any such money so borrowed, raised or received, to mortgage, pledge or charge the whole or any part of the property assets or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may seem expedient, and to purchase, redeem or pay off any such securities.
- (46) To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public or local interest, to any national trust, public body, museum, corporation or authority or any trustees for or on behalf of any of the same or of the public.
- (47) To appropriate use or lay out land belonging to the Company for streets, parks, pleasure grounds, allotments and other conveniences and to present any such land so laid out to the public or to any persons or company conditionally or unconditionally as the Company may think fit.
- (48) To distribute any of the property of the Company among the members in specie or kind but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (49) To subscribe or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or other institutions or objects or for any exhibition.

- (50) To pay all the costs, charges and expenses of and incidental to the promotion, formation, registration and establishment of the Company and the issue of its capital.
- (51) To establish and maintain agencies, branch places and local registers and to procure registration or recognition of the Company and to carry on business in any part of the world and to take such steps as may be necessary to give the Company such rights and privileges in any part of the world as are possessed by local companies or partnerships or as may be thought desirable.
- (52) To adopt such means of making known the production of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
- (53) To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution or fund in anywise connected with any particular trade or business or with scientific research, trade, industry or commerce generally and particularly with the business and activities of the Company including any association, institution or fund for the protection of the interests of masters, owners and employers against loss by bad debts, accidents or otherwise.
- (54) To do all or any of the above things and all such other things as are incidental or as may be thought conducive to the attainment of the above objects or any of them in India or any other part of the world and as principals, agents, contractors, trustees or otherwise and by or through sub-contractors, trustees, agents or otherwise and either alone or in conjunction with others.

AND it is hereby declared that

- (i) the word "Company" in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority partnership or other body of persons, whether incorporated or not incorporated, whether domiciled in India or elsewhere; and
- (ii) The objects set forth in each of the several paragraphs of this Clause shall have the widest possible construction and shall be in no wise limited or restricted by reference to or inference from the terms of any other paragraph of this Clause or the name of the Company.

IV. The liability of the members is limited.

V. The Authorised Share Capital of the Company is Rs.150,00,00,000/- (Rupees One Hundred and Fifty Crores)* divided into 110,00,00,000 (One Hundred and Ten Crores) Equity Shares of Re.1/- (Rupee One) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs.100/- (Rupee One Hundred) each, with the rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and 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 by or in accordance with Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Indian Companies Act or provided by the Articles of Association of the Company for the time being.

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* Authorised Share Capital stands increased from Rs.100 crores to Rs.150 crores pursuant to the Scheme of Merger by Absorption of Universal Comfort Products Limited (UCPL), a wholly-owned subsidiary of the Company which was approved by NCLT, Mumbai. Authorised Share Capital of UCPL was Rs.50 crores.

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

DATED THIS FOURTH DAY OF SEPTEMBER 1954.

Names of Subscribers	Descriptions and Address of the Subscribers	Number of Shares taken by each Subscriber	Witnesses
A.D. SHROFF ...	Industrialist, Bombay House, Bruce Street, Bombay 1.	One (Ordinary)	Witness to all signatures :- V.G. MOKASHI Secretary, The Tata Iron & Steel Co. Ltd., Bombay House, Bruce Street, Bombay 1.
J.D. CHOKSI ...	- do -	One (Ordinary)	
S. MOOLGAOKAR ...	- do -	One (Ordinary)	
K.C. BAKHLE ...	- do -	One (Ordinary)	
R.F.S. TALYARKHAN ...	Deputy Agent, Tata Iron & Steel Co. Ltd., Bombay House, Bruce Street, Bombay 1.	One (Ordinary)	
B. REINHART ...	Merchant, St. Georgenplatz 1, Winterthur, Switzerland	One (Ordinary)	
R.H. SCHUEPP ...	Merchant, 19, Graham Road, Bombay 1.	One (Ordinary)	
P. GREGORI ...	- do -	One (Ordinary)	

VOLTAS LIMITED

MUMBAI

ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION
OF
VOLTAS LIMITED

TABLE A EXCLUDED

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

Table A not to apply but Company to be governed by these Articles.

INTERPRETATION

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

Interpretation Clause.

"The Act" or "the said Act" means "The Companies Act, 1956" as amended up to date or other the Act or Acts for the time being in force in India containing the provisions of the Legislature in relation to Companies.

"The Act" or "the said Act".

"The Board" or the "Board of Directors" means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of Directors entitled to pass a Circular resolution in accordance with these Articles.

"The Board" or "Board of Directors".

"The Company" or "This Company" means "VOLTAS LIMITED".

"The Company" or "This Company".

"Directors" means the Directors for the time being of the Company or as the case may be the Directors assembled at a Board.

"Directors".

"Dividend" includes bonus.

"Dividend".

Words importing the masculine gender, also include the feminine gender.

"Gender".

"Month".	"Month" means a calendar month.
"Office".	"Office" means the Registered Office for the time being of the Company.
"Persons".	"Persons" includes corporations as well as individuals.
Plural number.	Words importing the plural number, also include the singular number.
"These Presents" or "Regulations".	"These presents" or "Regulations" means these Articles of Association as originally framed or altered from time to time and includes the Memorandum where the context so requires.
"Seal".	"Seal" means the Common Seal for the time being of the Company.
Singular number.	Words importing the singular number include the plural number.
"Writing".	"Writing" shall include printing and lithography and any other mode or modes of representing or reproducing words in a visible form.
Expressions in the Act to bear the same meaning in Articles.	Subject as aforesaid any words or expression defined in the Act shall except where the subject or context forbids bear the same meaning in these Articles.
Marginal notes.	The marginal notes hereto shall not affect the construction hereof.

PRELIMINARY

Agreement entered into by the Company.

3. The Company has entered into an Agreement dated the 18th day of September 1954 and made between Volkart Brothers of the first part, Tata Sons Private Ltd., of the second part and the Company, of the third part whereby the Company agreed to acquire and take over from Volkart Brothers the business of their Import and Engineering Division with the land and buildings, plant, stock and other properties connected with the said business and the benefit of all pending Contracts and the stock-in-trade and all or any other assets therein including the goodwill. The basis on which the Company was established was that the Company should enter into the said Agreement upon the terms therein set forth and should be bound by the conditions therein contained and accordingly there should be no objection to the said Agreement by reason of any promoter or director of the Company being interested in any capacity whatsoever in the said Agreement or of the Board of Directors not being in the circumstances an independent Board. Every member of

the Company present or future shall be deemed to have notice of the contents of the said Agreement and to join the Company on the above basis.

4. Copies of the Memorandum and Articles of Association and other documents mentioned in Section 39 of the Act shall be furnished by Company to any member at his request within 7 days of the requirement subject to the payment of a fee of Re. 1/-.

Copies of Memorandum and Articles to be given to members.

CAPITAL AND INCREASE, REDUCTION AND ALTERATION OF CAPITAL

5. The Authorised Share Capital of the Company is Rs.150,00,00,000/- (Rupee One Hundred and Fifty Crores)* divided into 110,00,00,000 (One Hundred and Ten Crores) Equity Shares of Re.1/- (Rupee One) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs.100/- (Rupees One Hundred) each.

Amount of Capital.

6. Any unclassified shares of the Company for the time being (whether forming part of the original capital or of any increased capital of the Company) may be issued either with the sanction of the Company in general meeting or by the Directors with such rights and privileges annexed thereto and upon such terms and conditions as by the general meeting sanctioning the issue of such shares be directed, and, if no such direction be given and in all other cases, as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company and any Preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.

Unclassified shares.

7. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such times as they may from time to time think fit and proper, and with full power with the sanction of the Company in General Meeting to give to any person the option to call for or be allotted shares of any class of the Company either at a par or at a premium or subject as aforesaid at a discount such option being exercisable at such times and for such consideration as the Directors think fit.

Shares under the control of the Directors.

* Authorised Share Capital stands increased from Rs.100 crores to Rs.150 crores pursuant to the Scheme of Merger by Absorption of Universal Comfort Products Limited (UCPL), a wholly-owned subsidiary of the Company which was approved by NCLT, Mumbai. Authorised Share Capital of UCPL was Rs.50 crores.

**Power of
General Meeting
to offer Shares
to such persons
as the Company
may resolve.**

8. In addition to and without derogating from the powers for that purpose conferred on the directors under Article 6 and 7 and on the Company under Article 6 the Company in general meeting may determine to issue further shares of the authorised but unissued Capital of the Company and may determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportions and on such terms and conditions and either at a premium or at par or, subject to compliance with the provisions of Section 79 of the Act, at a discount, as such general meeting shall determine and with full power to give to any person (whether a member or holder of debentures of the Company or not) the option to call for or be allotted shares of any class of the Company either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount, such option being exercisable at such times and for such consideration as may be directed by such general meeting, or the Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares. Subject to any direction given by general meeting as aforesaid the provisions of Article 10 hereof shall apply to any issue of new shares.

**Increase of
Capital.**

9. (1) The Company may from time to time in General Meeting increase its share capital by the issue of new shares of such amount as it thinks expedient.

(2) Subject to the provisions of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as by the General Meeting creating the same shall be directed and if no direction be given as the Directors shall determine; and in particular such shares may be issued with a preferential or qualified right to dividends and in distribution of assets of the Company and any Preference shares may be issued on the terms that they are or at the option of the Company are to be liable to be redeemed.

**Right of
ordinary
shareholders
to further issue
of capital.**

10. Where it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are holders of the ordinary shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date, and such offer shall be made in accordance with the provisions of Section 81 of the Act. Provided that notwithstanding anything hereinbefore contained, the further shares aforesaid may be offered to any persons, whether or not those persons include the persons who, at the date of the

offer, are holders of the ordinary shares of the Company in any manner whatsoever.

- (a) If a Special Resolution to that effect is passed by the Company in General Meeting, or
- (b) Where no such Special Resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be), in favour of the proposal contained in the Resolution moved in that General Meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members so entitled and voting and the Central Government is satisfied on an application made by the Board of Directors in that behalf, that the proposal is most beneficial to the Company.

11. On the issue of redeemable Preference shares under the provisions of Article 9 the following provisions shall take effect :-

Provision in case of redeemable Preference Shares.

- (a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption;
- (b) No such shares shall be redeemed unless they are fully paid;
- (c) The premium, if any, payable on redemption shall be provided for out of the profits of the Company or out of the Company's share premium account, before the shares are redeemed;
- (d) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend be transferred to a reserve fund to be called "The Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of a Company shall except as provided under Section 80 of the Act or herein apply as if the Capital Redemption Reserve Account were paid up share capital of the Company;
- (e) Subject to the provisions of Section 80 of the Act and this Article the redemption of Preference

Shares hereunder may be effected in accordance with the terms and conditions of their issue and failing that in such manner as the Directors may think fit.

Same as original capital.

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

Restrictions on purchase by Company of its own share.

13. (1) The Company shall not have the power to buy its own shares unless the consequent reduction of capital is effected and sanctioned in pursuance of Articles 14 or in pursuance of Sections 100 to 104 or Section 402 or other applicable provisions (if any) of the Act.

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

(3) Nothing in this Article shall affect the right of the Company to redeem any redeemable Preference shares issued under Article 9 or under Section 80 or other relevant provisions (if any) of the Act or of any previous Companies Law.

Buy-back of shares.

13A. Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals, as may be required or permitted by law.

Reduction of capital.

14. The Company may from time to time by Special Resolution reduce its share capital in any way authorised by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise and may if and so far as is necessary alter its Memorandum by reducing the amount of its share capital and of its shares accordingly.

Consolidation, division and sub-division.

15. The Company may in General Meeting after the conditions of its Memorandum as follows :-

- (a) Consolidate and divide all or any of its share capital into shares of larger amounts than its existing shares.
- (b) Sub-divide its shares or any of them into shares of smaller amounts than originally fixed by the Memorandum subject nevertheless to the provisions of the Act and of these Articles.

- (c) Cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

16. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of 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.

Issue of further pari passu shares not to affect the right of shares already issued.

17. The Company shall not after 1st April, 1956, issue any shares (not being Preference Shares) which carry voting right or rights in the Company as to dividend, capital or otherwise which are dis-proportionate to the rights attached to the holders of other shares (not being Preference Shares).

No issue with disproportionate rights after 1st April, 1956.

17(A) In the event it is permitted by the Law to issue shares with non-voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by the Law.

Shares with non-voting rights.

MODIFICATION OF CLASS RIGHTS

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

Power to modify class rights.

SHARES

19. The shares in the capital of the Company shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided.

Shares to be numbered progressively and no share to be sub-divided.

Directors may allot shares as fully paid-up.

20. Subject to the provisions of the Act and these Articles the Directors may allot and issue shares in the capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

Acceptance of shares.

21. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purpose of these Articles be a member.

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

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

Instalments on shares to be duly paid.

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

Liability of Members.

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

Company not bound to recognise any interest in shares other than that of the registered holders.

25. Except as required by law no person shall be recognised by the Company as holding any share upon any trust and the Company shall not be bound by, or be compelled in any way, to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any interest in any fractional part of a share, or (except only as by these Articles or as ordered

by a Court of competent jurisdiction or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

UNDERWRITING AND BROKERAGE

26. The Company may subject to 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 or his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in or debentures of the Company but so that the amount or rate of commission does not exceed in the case of shares 5 per cent of the price at which the shares are issued and in the case of debentures 2.1/2 per cent of the price at which the debentures are issued. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

Commission for placing shares, debentures, etc.

INTEREST OUT OF CAPITAL

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

Payment of interest out of capital.

CERTIFICATES

28. (a) The certificates of title to shares shall be issued under the Seal of the Company which shall be affixed in the presence of and signed by (i) two Directors or persons acting on behalf of the Directors under a duly registered Power of Attorney; and (ii) the Secretary or some other person appointed by the Board for the purpose; Provided that at least one of the aforesaid two Directors shall be a person other than a Managing Director. A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography.

Certificates of shares.

PROVIDED ALWAYS that notwithstanding anything contained in this article the certificates of title to shares may be executed and issued in accordance with such other provisions of the Act or the Rules made thereunder, as may be in force for the time being and from time to time.

Member's
rights to
certificates.

(b) Every member shall be entitled without payment to one certificate for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee or fees or at the discretion of the Directors without payment of fees as the Directors may from time to time determine) to several certificates each for one or more shares of each class. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid thereon and shall be in such form as the Directors shall prescribe or approve.

Limitation of
time for
issue of
certificates.

29. The Company shall within three months after the allotment of any of its shares or debentures and within two months after the application for the registration of the transfer of any such shares or debentures complete and have ready for delivery the certificates of all shares and debentures allotted or transferred, unless the conditions of issue of the shares or debentures otherwise provide and the Company shall otherwise comply with the requirements of Section 113 and other applicable provisions (if any) of the Act.

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

30. If any certificate be worn out, defaced, torn or be otherwise mutilated or rendered useless from any cause whatsoever, or if there be no space on the back thereof for endorsement of transfer, then upon production thereof to the Directors they may order the same to be cancelled and may issue a new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Directors and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate on payment, if any, of such sum not exceeding Re.1/- as the Directors may in their discretion determine. The Directors may in their discretion waive payment of such fee in the case of any certificate or certificates.

CALLS

Board may
make calls.

31. The Board of Directors may from time to time, but subject to the conditions hereinafter mentioned, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable

at fixed times and each member shall pay the amount of every call so made on him to the Company or where payable to a person other than the Company to the persons and at the times and places appointed by the Directors. A call may be made payable by instalments.

32. Where after the commencement of the Act, any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

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

33. Fifteen days' notice at the least of every call otherwise than on allotment shall be given specifying the time of payment and if payable to any person other than the Company, the name of the person whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same.

Notice of call.

34. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.

Call to date from Resolution.

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

Directors may extend time.

36. 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 amount of share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Board of Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or instalment accordingly.

Amount payable at fixed time or by instalments as calls.

37. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time being or allottee of the share in respect of which a call shall have been made or the instalment shall be due shall pay interest on the

When interest on call or instalment payable.

same at such rate not exceeding 15 per cent per annum as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Judgement, decree or partial payment not to preclude forfeiture.

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

Proof on trial of suit for money due on shares.

39. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the minute book; and that notice of such call was duly given in pursuance of these present; and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in anticipation of calls may carry interest.

40. The Directors may, if they think fit, 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 sums actually called for; and upon the moneys so paid in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the member paying such sum in advance and the Directors agree upon and the Company may at any time repay the amount so advanced upon giving to such member three months' notice in writing.

FORFEITURE, SURRENDER AND LIEN

If call or instalment not paid notice must be given.

41. If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the

call or instalment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such-non-payment.

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

Terms of notice.

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

In default of payment shares to be forfeited.

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

Entry of forfeiture in register of members.

45. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted or otherwise disposed of either to the original holder thereof, or to any other person, upon such terms and in such manner as the Board shall think fit.

Forfeited shares to be property of the Company and may be sold, etc.

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

Power to annul forfeiture.

47. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together

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

with interest thereon from the time of forfeiture until payment at such rate not exceeding 9 percent per annum as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture but shall not be under any obligation to do so.

Effect of
forfeiture.

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

Surrender of
shares.

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

49(A). Without prejudice to the generality of Article 49, the Directors shall be entitled not to accept any application for transfer of less than 50 Equity Shares of the face value of Rs.10 each being the marketable lot, provided, however, that this discretionary power shall not be exercised in respect of the following cases :-

(i) a transfer of Equity Shares made in pursuance of any statutory provision or an order of a Competent Court of Law;

(ii) the transfer of the entire Equity Shares by an existing shareholder holding less than 50 Equity Shares to one or more existing shareholders to enable consolidation of holdings;

(iii) the transfer of not less than 50 Equity Shares in the aggregate in favour of the same transferee in two or more transfer deeds submitted together in which one or more relate(s) to the transfer of less than 50 Equity Shares;

(iv) the transfer of shares made at the discretion of the Directors under special circumstances to avoid undue hardship in genuine cases;

(v) the transfer of old Equity Shares of Rs.100 each prior to the issue to the holders thereof of certificates for New Equity Shares of Rs.10.

Company's lien
on shares.

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

As to
enforcing
lien by
sale.

51. For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to

sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfilment or discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof and the purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as, aforesaid, the certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

52. The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the said debts, liabilities or engagements of such member and the residue (if any) paid to such member or the person (if any) entitled by transmission to the shares so sold.

Application
of proceeds
of sale.

53. A certificate in writing under the hands of two Directors, that the call in respect of a share was made, and notice thereof given, and that default in payment of the call was made, and that the forfeiture of the share was made, by a resolution of the Directors to that effect, shall be conclusive evidence of the fact stated therein as against all persons entitled to such share.

Certificate of
Forfeiture.

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

Title of
purchaser and
allottee of
forfeited
shares.

TRANSFER AND TRANSMISSION OF SHARES

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

Register of
Transfers.

56. Shares in the Company may be transferred by an instrument in writing in such form and by such procedure as may from time to time be prescribed by law. Subject thereto the Directors may prescribe a common form for instruments of transfer, which may from time to time be altered by the Directors.

Form of
Transfer.

57. (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.

Application
for transfer.

(2) Where the application is made by the transferor and relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no

objection to the transfer within two weeks from the receipt of the notice.

(3) For the purpose of Sub-clause (2) above notice to the transferee shall be deemed to have been duly given if it is despatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

To be executed
by transferor
and transferee.

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

Transfer not to
be registered
except on
production of
instrument of
transfer.

59. The Company shall not register a transfer of shares in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares, or if no such share certificate is in existence, along with the letter or allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit. Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

Directors may
refuse to
register
transfer.

60. Subject to the provisions of Section 111 of the Act, or any statutory modification thereof for the time being in force, the Directors may, at their absolute and uncontrolled discretion decline to register or acknowledge any transfer or shares and shall not be bound to give any reason for such refusal and in particular may so decline in respect of shares upon which the Company has a lien or whilst any moneys in respect of the shares desired to be transferred or any of them remain unpaid or unless the transferee is approved by the Directors and such refusal shall not be affected by the fact that the proposed transferee is already a member. The registration of a transfer shall be conclusive evidence of the approval by the Directors of the transferee.

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

Notice of refusal to be given to transferor and transferee.

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

Transfer by legal representative.

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

Custody of transfer.

64. The Directors shall have power on giving not less than seven days' previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the Company for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as to them may seem fit.

Closure of transfer books.

65. The executor or administrator of a deceased member or a holder of a Succession Certificate in respect of shares of a deceased member where he was a sole or only surviving holder shall be the only person whom the Company shall be bound to recognise as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executor or administrator unless such executor or administrator shall have first obtained Probate or Letters of Administration as the case may be, from a duly Constituted Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as to the Directors may seem fit and under the next Article, register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

Title to shares of deceased member.

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

66. Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares: Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so he shall not be freed from any liability in respect of such shares. This Clause is herein referred to as the Transmission Clause.

Refusal to register nominee.

67. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Board may require evidence of transmission.

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

Fee on transfer or transmission.

69. A fee not exceeding annas four per share may be charged in respect of the transfer or transmission to the same party of any number of shares of any class or denomination subject to such maximum on any one transfer or transmission as may from time to time be fixed by the Directors. Such maximum may be a single fee payable on any one transfer or on transmission of any number of shares of one class or denomination or may be on a graduated scale varying with the number of shares of any one class comprised in one transfer or transmission or may be fixed in any other manner as the Directors may in their discretion determine.

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

70. The Company shall incur no liability or responsibility whatever in consequence of their registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown

or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

CONVERSION OF SHARES INTO STOCK

71. The Company may, by ordinary resolution of the Company in General Meeting,

Conversion of shares into stock and reconversion.

(a) convert any paid-up shares into stock;

and

(b) re-convert any stock into paid-up shares of any denomination.

72. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulation under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit: Provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

Transfer of stock.

73. The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except dividends, participation in profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

Rights of stockholders.

74. Such of the regulations of the Company (other than those relating to share warrants), as are applicable to

Regulations.

paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

JOINT HOLDERS

Joint holders.

75. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles :-

Company may refuse to register more than six persons.

(a) The Company shall be entitled to decline to register more than 6 persons as the joint holders of any share.

Joint and several liability for all payments in respect of shares.

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

Title of survivors.

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

Receipts of one sufficient.

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

Delivery of certificate and giving of notices to first named holders.

(e) Only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents (which expression shall be deemed to include all documents referred to in Article 213) from the Company and any documents served on or sent to such person shall be deemed service on all the joint holders.

Votes of joint holders.

(f) Any one of two or more joint holders may vote at any meeting either personally or by an attorney duly authorised under a power of attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney

then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such share shall alone be entitled to vote in respect thereof, but the other or others of the joint holders shall be entitled to be present at the meeting; Provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by an attorney duly authorised under power of attorney or by proxy although the name of such joint holder present by an attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purposes of this Sub-Clause be deemed joint holders.

75A. DEMATERIALISATION OF SECURITIES

1. For the purpose of this Article :-

Definitions

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository.

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

'Depository' means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a Depository under the Securities and Exchange Board of India Act, 1992; and

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

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 Depositories Act, 1996.

Dematerialisation
of Securities

3. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

Options for
investors

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Securities in depositories to be in fungible form

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

Rights of depositories and beneficial owners

5. (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be 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 any voting rights or any other 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 records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service of documents

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

Transfer of Securities

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 as beneficial in the records of a depository.

8. Notwithstanding anything in the Act or these Articles, where securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities. Allotment of Securities dealt with in a depository
9. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository. Distinctive Numbers of Securities held in a depository.
10. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles. Register and Index of beneficial owners.

BORROWING POWERS

76. Subject to the provisions of the Act and these Articles and without prejudice to the other powers conferred by these Articles, the Directors shall have the power from time to time at their discretion to borrow any sum or sums of money for the purposes of the Company provided that the total amount borrowed at any time together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose. Power to borrow.

77. Subject to the provisions of the Act and these Articles the Directors may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage or charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being. Conditions on which money may be borrowed.

78. Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company. Bonds, debentures etc. to be subject to control of Directors.

Securities may be assignable free from equities.

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

Issue at discount etc., or with special privileges.

80. Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stocks or other securities may be issued at a discount, premium or otherwise and with any privileges and conditions as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the consent of the Company in General Meeting.

Mortgage of uncalled capital.

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

Indemnity may be given.

82. Subject to the provisions of the Act and of these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

CONVENING MEETINGS

Annual General Meetings.

83. (1) The Company shall, in addition to any other meetings, hold a general meeting (herein called an "Annual General Meeting") at the intervals and in accordance with the provisions herein specified. The Annual General Meeting of the Company shall be held within six months after the expiry of each financial year; Provided however,

that if the Registrar of Companies shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time fixed by the Registrar. Except in the cases where the Registrar has given an extension of time as aforesaid for holding any Annual General Meeting, not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next.

(2) Every Annual General Meeting shall be called for a time during business hours and on such day (not being a public holiday) as the Directors may from time to time determine and it shall be held either at the registered office of the Company or at some other place within the City of Bombay. The notice calling the meeting shall specify it as the Annual General Meeting.

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

Extraordinary
General Meeting.

85. The Board of Directors may call an Extraordinary General Meeting whenever they think fit.

Directors
may call
Extraordinary
General Meeting.

86. (1) The Board of Directors shall, on the requisition of such number of members of the Company as hold in regard to any matter at the date of deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date carries the right of voting in regard to that matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable.

Calling of
Extraordinary
General
Meeting on
requisition.

(2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists, and shall be deposited at the registered office of the Company.

(3) The requisition may consist of several documents in like form each signed by one or more requisitionists.

(4) Where two or more distinct matters are specified in the requisition, the provisions of Sub-Clause (1) above shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that Sub-Clause is fulfilled.

(5) If the Board of Directors does not, within twenty-one days from the date of the deposit of a valid

requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves or by such of the requisitionists as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Sub-Clause (1) above whichever is less.

(6) A meeting called under Sub-Clause (5) above by the requisitionists or any of them shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.

(7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

Notice of
Meeting.

87. (1) A General Meeting of the Company may be called by giving not less than 21 days' notice in writing.

(2) However, a General Meeting may be called after giving shorter notice than 21 days, if the consent is accorded thereto :-

- (i) in the case of an Annual General Meeting by all the members entitled to vote thereat; and
- (ii) in the case of any other meeting by members of the Company holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at that meeting.

PROVIDED THAT where any members of the Company are entitled to vote only on some Resolution or Resolutions to be moved at the meeting and not on the others, those members shall be taken into account for the purpose of this Sub-Clause in respect of the former Resolution or Resolutions but not in respect of the latter.

Contents of
Notice.

88. (1) Every notice of a meeting of the Company shall specify the place, the date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.

(2) In every notice there shall appear with reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy or, where allowed, one or more proxies, to attend and vote instead of himself, and that a proxy need not be a member of the Company.

89. (1) In the case of an Annual General Meeting all business to be transacted at the meeting shall be deemed special with the exception of business relating to:-

Special
Business.

- (i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and the Report of the Board of Directors and of the Auditors;
- (ii) the declaration of dividend;
- (iii) the appointment of Directors in the place of those retiring;
- (iv) the appointment of and the fixing of the remuneration of the Auditors.

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

(3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, if any, therein of every Director.

Provided, however, that where any item of special business as aforesaid to be transacted at a Meeting of the Company relates to, or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 20 per cent of the paid-up share capital of that other company.

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

90. Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act and by these

Service of
Notice.

Articles. It shall be given to the persons entitled to a share in consequence of the death in insolvency of a member, by sending it through the post in a pre-paid letter addressed to them by name, or by the title of the representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the registered office of the Company under Sub-Section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of the said Act, but it shall be mentioned in the advertisement that the Statement has been forwarded to the members of the Company.

Notice to be given to the Auditors.

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

As to omission to give Notice.

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

Resolutions requiring Special Notice.

93. (1) Where, by any provision contained in the Act or in these Articles special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.

(2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by the Articles not less than seven days before the meeting.

PROCEEDING AT GENERAL MEETINGS

Quorum at General Meeting.

94. Five members entitled to vote and present in person shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless quorum requisite be present at the commencement of the business.

95. If within half an hour after the time appointed for the holding of a General Meeting a quorum be not present the meeting, if convened on the requisition of shareholders, shall be dissolved and in every other case shall stand adjourned to the same day in the next week at the same time and place or to such other day time and place as the Directors may by notice to the shareholders appoint. If at such adjourned meeting a quorum be not present those members present shall be a quorum and may transact the business for which the meeting was called.

Proceedings
when quorum
not present.

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

Business at
adjourned
meetings.

97. (1) The Chairman (if any) of the Board of Directors shall if willing, preside as Chairman at every General Meeting, whether Ordinary or Extraordinary, but if there be no such Chairman, or in case of his absence or refusal, the Vice-Chairman (if any) of the Board of Directors shall, if willing, preside as Chairman at such meeting and if there be no such Vice-Chairman, or in case of his absence or refusal, some one of the Directors (if any be present) shall be chosen to be Chairman of the meeting.

Chairman of
Directors or
Vice-Chairman
or a Director
to be Chairman
of General
Meeting.

(2) If at any meeting a quorum of members shall be present and the chair shall not be taken by the Chairman of the Board or by the Vice-Chairman or by a Director at the expiration of half an hour from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the chair, the members present shall choose one of their own number to be Chairman of the meeting.

In case of
their absence
or refusal a
member may
act.

98. (1) No business shall be discussed at any General Meeting whilst the chair is vacant except the election of a Chairman.

Business
confined to
election of
Chairman
whilst chair
vacant.

(2) If a poll is demanded on the election of the Chairman, it shall be taken forthwith in accordance with the provisions of the Act and these Articles, the Chairman so elected on a show of hands exercising all the powers of the Chairman under the Act and these Articles.

(3) If some other person is elected Chairman as a result of the poll he shall be Chairman for the rest of the meeting.

99. The Chairman, with the consent of any meeting at which a quorum is present, may adjourn any meeting from time to time and from place to place in Bombay.

Chairman with
consent may
adjourn meeting.

Notica to be given where a meeting adjourned for 30 days or more

100. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. 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.

Evidence of the passing of a resolution where poll not demanded.

101. At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded, be decided on a show of hands. A declaration by the Chairman that on a show of hands a resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

Demand for Poll.

102. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution not being less than one-tenth of the total voting power in respect of the Resolution or on which an aggregate sum of not less than Fifty thousand rupees has been paid-up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.

Time and manner of taking poll.

103. A poll demanded on any question (other than the election of the Chairman or on a question of adjournment which shall be taken forthwith) shall be taken at such place in Bombay and at such time not being later than forty-eight hours from the time when the demand was made, as the Chairman may direct. Subject to the provisions of the Act the Chairman of the meeting shall have the power to regulate the manner in which a poll shall be taken and the result of the poll shall be deemed to be the decision of the meeting on the Resolution on which the poll was taken.

Scrutineers at Poll.

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

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

Demand for poll not to prevent transaction of other business.

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

Motion how decided in case of equality of votes.

107. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and audited Statement of Accounts, Auditors' Report (if not already incorporated in the audited statement of Accounts), the proxy Register with proxies and the Register of Directors' holding maintained under Section 307 of the Act. The Auditors' Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.

Reports, Statements and Registers to be laid on the table.

108. A copy of the following resolutions (together with a copy of the Statement of material facts annexed under Section 173 to the notice of the meeting in which such resolution has been passed) or agreements shall, within thirty days after the passing or making thereof, be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar:-

Registration of certain Resolutions and Agreements.

- (a) special resolutions;
- (b) resolutions which have been agreed to by all the members of the Company but which, if not so agreed to, would not have been effective for their purpose unless they had been passed as special resolutions;
- (c) resolutions of the Board or agreements relating to the appointment, re-appointment or the renewal of the appointment or variations of the terms of appointment of a Managing Director;
- (d) resolutions or agreements which have been agreed to by all the members of any class of shareholders but which, if not so agreed to, would not have been effective for their purpose unless they had been passed by some particular majority or otherwise in some particular manner; and all resolutions or agreements which effectively bind all the members of any class of shareholders though not agreed to by all those members;

- (e) resolutions requiring the Company to be wound up voluntarily passed in pursuance of sub-section (1) of Section 484 of the Act;
- (f) resolutions passed by the Company according consent to the exercise by its Board of Directors of any of the powers under clause (a), clause (d) and clause (e) of sub-section (1) of Section 293 of the Act; and
- (g) resolutions passed by the Company approving the appointment of sole selling agents under Section 294 of the Act.

A copy of every resolution which has the effect of altering the articles of association of the Company and a copy of every agreement referred to in the above sub-clauses (c) and (d) shall be embodied in and annexed to every copy of the articles issued after the passing of the resolution or the making of the agreement.

Minutes of
General
Meetings.

109. The Company shall cause minutes of all proceedings of every General Meeting to be kept in accordance with the provisions of Section 193 of the Act, by making within thirty days of the conclusion of each such meeting entries thereof in books kept for that purpose with their pages consecutively numbered. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for that purpose. In no case the minutes of the proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. Any such minutes kept as aforesaid shall be evidence of the proceedings recorded therein.

Inspection of
minute books
of General
Meetings.

110. The book containing the aforesaid minutes shall be kept at the Registered Office and be open during business hours to the inspection of any member without charge, subject to such reasonable restrictions as the Company may, by these Articles or in general meeting, impose in accordance with Section 196 of the Act. Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf to the Company, with a copy of the minutes on payment of six annas for every one hundred words or fractional part thereof required to be copied.

Publication of
reports of
proceedings of
General
Meetings.

111. No report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by these Articles or Section 193 of the Act to be contained in the Minutes of the proceedings of such meeting.

VOTES OF MEMBERS

112. Subject to the provisions of the Act and of these Articles, votes may be given either personally or by an attorney or by proxy or in the case of a body corporate also by a representative duly authorised under Section 187 of the Act and Article 114.

Votes may be given by proxy or attorney

113. (1) Subject to the provisions of the Act and these Articles upon a show of hands every member entitled to vote and present in person (including a body corporate present by a representative duly authorised in accordance with the provisions of Section 187 of the Act and Article 114) or by attorney or in the case of a body corporate by proxy shall have one vote.

Number of Votes to which Members entitled.

(2) Subject to the provisions of the Act and these Articles, upon a poll every member entitled to vote and present in person (including a body corporate present as aforesaid) or by attorney or by proxy shall be entitled to vote and shall have the following voting right namely;

In respect of every ordinary share his voting right shall be in the same proportion as the capital paid-up on such ordinary share bears to the total paid-up ordinary capital of the Company.

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

No voting by proxy on show of hands.

115. Any person entitled under the Transmission Article (Article 66 hereof) to transfer any shares may vote at any General Meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Votes in respect of shares of deceased, insolvent members.

116. Subject to the provisions of the Act no member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or attorney or as a proxy or attorney for any other member or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member, for more than one month.

No member to vote unless calls are paid up.

Right of member to use his votes differently.

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

Proxies.

118. Any member entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself; but a proxy so appointed shall not have any right to speak at the meeting.

Appointment of proxy.

119. Every proxy shall be appointed by an instrument in writing signed by the appointer or his attorney duly authorised in writing, or, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

Deposit of instrument of appointment.

120. (1) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof shall be deposited at the office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution except in the case of the adjournment of any meeting first held previously to the expiration of such time. An attorney shall not be entitled to vote unless the power of attorney or other instrument appointing him or notarially certified copy thereof has either been registered in the records of the Company at any time not less than forty-eight hours before the time for holding the meeting at which the attorney proposes to vote or is deposited at the office of the Company not less than forty-eight hours before the time fixed for such meeting as aforesaid. Notwithstanding that a power of attorney or other authority has been registered in the records of the Company, the Company may, by notice in writing addressed to the member or the attorney given at least fourteen days before the meeting, require him to produce the original power of attorney or authority and unless the same is thereon deposited with the Company not less than forty-eight hours before the time fixed for the meeting, the attorney shall not be entitled to vote at such meeting unless the Directors in their absolute discretion excuse such non-production and deposit.

Inspection of proxies.

(2) Every member entitled to vote at a meeting of the Company according to the provisions of these Articles on any resolution to be moved thereat shall be entitled

during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company provided not less than three days' notice in writing of the intention so to inspect is given to the Company.

121. An instrument appointing a proxy shall be in the following form, or shall contain words to the following effect:-

Form of proxy.

VOLTAS LIMITED

I/We
of in the district
of being a
member/members of the abovenamed Company hereby appoint
..... of
in the district of..... or
failing him..... of
..... as my/our proxy to vote for
me/us on my/our behalf at the
Annual General Meeting/Extraordinary General Meeting of the
Company to be held on the..... day of.....
..... and at any adjournment thereof.

Signed this..... day of.....19.....

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

Custody of the instrument.

123. A vote given in accordance with the terms of an instrument of proxy or a Power of Attorney shall be valid notwithstanding the previous death of the principal or revocation of the proxy or the power of attorney as the case may be or of the power of attorney under which such proxy was signed or the transfer of the share in respect, of which the vote is given, provided that no intimation in writing of the death revocation or transfer shall have been received at the office of the Company before the meeting.

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

124. Subject to the provisions of the Act and these Articles, no objection shall be made to the validity of any

Time for objections to votes.

vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by proxy or by any means hereby authorised and not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

Chairman of any meeting to be the Judge of validity of any vote.

125. Subject to the provisions of the Act and these Articles, the Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, and subject as aforesaid the Chairman present at the taking of a poll shall be the sole Judge of the validity of every vote tendered at such poll.

DIRECTORS

Number of Directors.

126. Until otherwise determined by a General Meeting the number of Directors shall not be less than three nor more than sixteen (excluding Debenture Director (if any)).

First Directors.

127. The first Directors of the Company were :-

- (1) Mr. Jehangir Dossabhoy Choksi (Chairman)
- (2) Mr. Balthasar Reinhart.
- (3) Mr. Darab Ratanji Dadabhoy Tata.
- (4) Mr. Reinhold Hermes Schuepp (Managing Director)
- (5) Mr. Sumant Moolgaokar.
- (6) Mr. Kamalakar Chintaman Bakhle.
- (7) Mr. Hans Caspar Naegeli.

Debenture Director.

128. Any Trust Deed for securing debentures or debenture stock may, if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture stocks of some person to be a Director of the Company and may empower such trustees or holder of debentures or debenture stocks from time to time to remove any Director so appointed. The Director appointed under this Article is herein referred to as the "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or subject to the provisions of the Act be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

ICICI Director.

128A. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain due and

owing by the Company to The Industrial Credit and Investment Corporation of India Limited in respect of any loan granted by the said Corporation to the Company the said Corporation shall have the right at any time and from time to time to appoint its nominee as a Director (hereinafter referred to as "ICICI Director") on the Board of the Company and to remove from such office any person so appointed and to appoint any other person in his place. Neither the Company nor its Board of Directors shall have power to remove from office the said "ICICI Director". The said "ICICI Director" shall not be required to hold any share qualification in the Company, nor shall be liable to retirement by rotation of Directors.

Subject as aforesaid, the said "ICICI Director" shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

129. The Board of Directors of the Company may appoint an Alternate Director to act for a Director (hereinafter called "the original Director") during his absence for a period of not less than three months from the State of Maharashtra and such appointment shall have effect and such appointee, whilst he holds office as an Alternate Director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly. An Alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original Director returns to the State of Maharashtra. If the term of office of the original Director is determined before he so returns to the State of Maharashtra any provision in the Act or in these Articles for the automatic reappointment of retiring Directors in default of another appointment shall apply to the original Director and not to the Alternate Director.

Appointment
of Alternate
Director.

130. Subject to the provisions of Sections 262 and 284(6) and other applicable provisions (if any) of the Act, any casual vacancy occurring in the office of a Director whose period of office is liable to determination by retirement by rotation may be filled up by the Directors at a meeting of the Board. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office, if the vacancy had not occurred.

Casual
Vacancy.

131. Subject to the provisions of Sections 260 and 284(6) and other applicable provisions (if any) of the Act,

Appointment
of Additional
Directors.

the Directors shall have powers at any time and from time to time to appoint a person as an additional Director. The Additional Director shall retire from office at the next following Annual General Meeting, but shall be eligible for re-election.

No qualification required.

132. A Director of the Company shall not be required to hold any qualifying shares.

Remuneration of Directors.

133. The maximum remuneration of a Director for his services shall be such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors attended by him with power to the Directors to accept from time to time such lesser amount for their remuneration as they deem fit. Subject to the limitation provided by the Act such additional remuneration as may be fixed by the Directors, may be paid to any one or more of the Directors for services rendered by him or them; and the Directors shall be paid such further remuneration (if any) as the Company in General Meeting shall from time to time determine, and such further remuneration shall be divided among the Directors in such proportion and manner as the Directors may from time to time determine and in default of such determination within the year equally. Such remuneration and/or additional remuneration may be by way of salary or commission on dividends, profits or turnover or by participation in profits or by any or all of those modes.

Directors not bona-fide residents of the place where meetings held may receive extra compensation.

134. The Directors may subject as aforesaid allow and pay to any Director who is not a bona fide resident of the place where a meeting is to be held and who shall come to such place from a place within India for the purpose of attending a meeting such sum as the Directors may consider fair compensation for travelling expenses, in addition to his fee for attending such meeting as above specified, and the Directors may from time to time fix the remuneration to be paid to any member or members of their body constituting a committee appointed by the Directors in terms of these Articles, and may pay the same.

Special remuneration to Directors on Company's business or otherwise performing extra services.

135. If any Director, being willing, shall be called upon to perform extra services, or to make any special exertions in going or residing out of Bombay or otherwise for any of the purposes of the Company, the Company shall, subject as aforesaid, remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.

136. The continuing Directors may act notwithstanding any vacancy in their body, but so that subject to the provisions of the Act if the number falls below the minimum number above fixed and notwithstanding the absence of a quorum, the Directors may act for the purpose of filling up vacancies or for summoning a General Meeting of the Company or in emergencies.

Directors
may act
notwithstanding
vacancy.

137. (1) Subject to the provisions of Section 283(2) of the Act the office of a Director shall become vacant if:-

When office of
Director to
become vacant.

- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- (b) he applies to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government has, by notification in the Official Gazette, removed the disqualification incurred by such failure; or
- (e) any office or place of profit under the Company or any subsidiary thereof is held by him in contravention of Section 314(1) of the Act; or
- (f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board of Directors for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board of Directors; or
- (g) he becomes disqualified by an Order of the Court under Section 203 of the Act; or
- (h) he is removed in pursuance of Article 157 or Section 284 of the Act; or
- (i) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Article 144 or Section 295 of the Act; or

- (j) he acts in contravention of Section 299 of the Act and by virtue of such contravention shall have been deemed to have vacated office; or
- (k) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months.

Resignation.

(2) Subject to the provisions of the Act a Director may resign his office at any time by notice in writing addressed to the Company or to the Board of Directors.

Directors may contract with Company.

138. (1) Subject to the provisions of Clauses (2), (3), (4), (5) and (6) of this Article and the restrictions imposed by Article 145 and the other Articles hereof and the Act and the observance and fulfilment thereof, no Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract, or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by Clauses (2), (3) and (4) hereof.

Disclosure of interest.

(2) Every Director who is in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board of Directors or as provided by Clause (4) hereof.

(3) (a) In the case of a proposed contract of arrangement, the disclosure required to be made by a Director under Clause (2) above, shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of the meeting concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he becomes so concerned or interested.

(b) In the case of any other contract or arrangement, the required disclosure shall be made at the first meeting

of the Board held after the Director becomes concerned or interested in the contract or arrangement.

(4) For the purpose of this Article, a general notice given to the Board of Directors by a Director to the effect that he is a Director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may after the date of the notice be entered into with that body corporate or firm shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. The general notice aforesaid and any renewal thereof shall be given at a meeting of the Board of Directors or the Director concerned shall take reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

General notice
of interest.

(5) Nothing in Clauses (2), (3) and (4) hereof shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company where any one of the Directors of the Company or two or more of them together holds or hold not more than 2 per cent of the paid-up share capital in the other company.

(6) An interested Director shall not take any part in the discussions of, or vote on, any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way, directly or indirectly, concerned or interested in the contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussions or vote; and if he does vote, his vote shall be void:

Interested
Director not to
participate or
vote in Board's
proceedings.

Provided that this prohibition shall not apply

- (i) to any contract of indemnity against any loss which the Directors or any one or more of them may suffer by reason of becoming or being sureties or a surety for the Company;
- (ii) to any contract or arrangement entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely in his being a Director of such company and the holder

of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company or in his being a member holding not more than two per cent of the paid-up share capital of such company;

- (iii) in case a notification is issued under sub-section (3) of Section 300 of the Act to the extent specified in the notification.

Register of contracts in which Directors are interested.

139. (1) The Company shall keep one or more Registers in which shall be entered separately particulars of all contracts or arrangements to which Section 297 or Section 299 of the Act applies, including the following particulars to the extent they are applicable in each case, namely :-

- (a) the date of the contract or arrangement;
- (b) the names of the parties thereto;
- (c) the principal terms and conditions thereof;
- (d) in the case of a contract to which Section 297 of the Act applies or in the case of a contract or arrangement to which sub-section (2) of Section 299 of the Act applies, the date on which it was placed before the Board;
- (e) the names of the Directors voting for and against the contract or arrangement and the names of those remaining neutral.

(2) Particulars of every such contract or arrangement to which Section 297 of the Act or, as the case may be, sub-section (2) of Section 299 of the Act applies, shall be entered in the relevant Register aforesaid.

- (a) in the case of a contract or arrangement requiring the Board's approval, within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;
- (b) in the case of any contract or arrangement, within seven days of the receipt at the registered office of the Company of the particulars of such other contract or arrangement

or within thirty days of the date of such other contract or arrangement, whichever is later;

and the Register shall be placed before the next meeting of the Board and shall then be signed by all the Directors present at the meeting.

(3) The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.

(4) Nothing in the foregoing Clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods, materials and services, if the value of such goods and materials or the cost of such services does not exceed one thousand rupees in the aggregate in any year.

140. A Director of this Company may be, or become a Director of any company promoted by this Company, or in which it may be interested as a vendor, member or otherwise, and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as Director or member of such company.

Directors may be Directors of Companies promoted by the Company.

141. A Director shall within twenty days of his appointment to or relinquishment of his office as Director, Managing Director, Manager or Secretary, in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with Section 303 of the Act.

Disclosure by Director of appointments.

142. A Director shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307. If such notice be not given at a meeting of the Board the Director shall take all reasonable steps to secure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of a Director's holding of shares and debentures as aforesaid in a register kept for that purpose in conformity with Section 307 of the Act.

Disclosure of holdings.

143. Article 143 deleted by a Special Resolution passed by the shareholders at the AGM held on 04.01.1989.

Directors not to hold office or place of profit.

Loans to
Directors.

144. The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions (if any) of the Act.

Board
Resolution
of a meeting
necessary for
certain
contracts.

145. (1) Except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company (a) for the sale, purchase or supply of any goods, materials or services, or (b) for underwriting the subscription of any shares in, or debentures of, the Company.

(2) Nothing contained in the foregoing Clause (1) shall affect :-

- (a) the purchase of goods and materials from the Company or the sale of goods and materials to the Company, by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
- (b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company as the case may be, regularly trades or does business:

Provided that such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.

(3) Notwithstanding anything contained in the foregoing Clauses (1) and (2), a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract; but in such a case, the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.

(4) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board and not otherwise; and the consent of the Board required under Clause (1) above shall not be deemed to have been given within the meaning of that Clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.

(5) If consent is not accorded to any contract under this Article anything done in pursuance of the contract shall be voidable at the option of the Board.

(6) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.

RETIREMENT AND ROTATION OF DIRECTORS

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

Retirement by rotation.

(2) The remaining Directors shall be appointed in accordance with the provisions of these Articles and the Act.

147. At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

Directors to retire annually how determined.

148. Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his re-appointment is decided or his successor is appointed.

Ascertainment of Directors retiring by rotation.

149. Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.

Eligibility for re-appointment.

Company to fill
up vacancy.

150. Subject to the provisions of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.

Provisions in
default of
appointment.

151. (1) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place;

(2) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless -

- (a) at that meeting or at the previous meeting a resolution for the re-appointment of such Director has been put to the meeting and lost;
- (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;
- (c) he is not qualified or is disqualified for appointment;
- (d) a resolution whether special or ordinary, is required for the appointment or re-appointment in virtue of any provisions of the Act;
- (e) Article 153 or sub-section (2) of Section 263 of the Act is applicable to the case.

Notice of
candidature
for office of
Director.

152. (1) Subject to the provisions of the Act and these Articles any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting if he or some member intending to propose him has at least fourteen clear days before the meeting left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of Rs.500/- which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director.

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

(3) A person other than -

- (a) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
- (b) an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office, or
- (c) a person named as a Director of the Company under its Articles as first registered,

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

153. At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved; Provided that where a resolution so moved is passed no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

Individual
resolution for
Directors'
appointments.

The heading "AGE LIMIT FOR DIRECTORS" and Article 154, 155 and 156 are deleted vide special Resolution dated 30.01.1967.

REMOVAL OF DIRECTORS

157. (1) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act

Removal of
Directors.

and these Articles) remove any Director before the expiry of his period of office.

(2) Special notice as provided by Article 93 or Section 190 of the Act shall be given of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

(3) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.

(4) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall, unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the Company state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company, and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting; Provided that copies of the representations need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are being abused to secure needless publicity for defamatory matter.

(5) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 130 or Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided special notice of the intended appointment has been given under sub-clause (2) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.

(6) If the vacancy is not filled under sub-clause (5), it may be filled as a casual vacancy in accordance with

the provisions, in so far as they are applicable, of Article 130 or Section 262 of the Act, and all the provisions of that Section shall apply accordingly.

(7) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.

(8) Nothing contained in this Article shall be taken:-

- (a) as depriving a person removed thereunder of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as Director; or
- (b) as derogating from any power to remove a Director which may exist apart from this Article.

INCREASE OR REDUCTION IN THE NUMBER OF DIRECTORS AND ALTERATION IN THEIR QUALIFICATION

158. Subject to the provisions of the Act and these Articles, the Company may by Ordinary Resolution from time to time increase or reduce the number of Directors and alter their qualification; Provided that any increase in the number of Directors except an increase which is within the permissible maximum of 12 (excluding the Debenture Director, if any) under the Articles as first registered shall not have any effect unless approved by the Central Government and shall become void if and so far as it is disapproved by that Government.

The Company may increase or reduce number of Directors and alter their qualification.

PROCEEDINGS OF BOARD OF DIRECTORS

159. 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 months and at least four such meetings shall be held in every year and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that a meeting of the Board which had been called in compliance with the terms herein mentioned could not be held for want of a quorum.

Meeting of Directors.

160. The Managing Director or any of the Managing Directors may at any time and at the request of a Director

When meetings to be convened.

shall convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director. The accidental omission to give Notice of any such meeting of the Directors to a Director shall not invalidate any resolution passed at any such meeting.

Quorum.

161. Subject to the provisions of Section 287 and other applicable provisions (if any) of the Act, the quorum for a meeting of the Board of Directors shall be one-third of the total strength of the Board of Directors (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher; Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors that is to say, the number of Directors who are not interested and are present at the meeting, not being less than two shall be the quorum during such time. A meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretion by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally.

Adjournment of meeting for want of quorum.

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

Chairman.

163. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office. Provided that the present incumbent Mr. M.R. Bhide would continue as the Chairman of the Board of Directors until he ceases to be a Wholetime Director of the Company.

Vice-Chairman.

164. The Directors may appoint a Vice-Chairman of the Board of Directors to preside at meetings of the Directors at which the Chairman shall not be present.

Who to preside at meetings of Board.

165. All meetings of the Directors shall be presided over by the Chairman, if present, but if at any meeting of Directors the Chairman be not present at the time appointed for holding the same the Vice-Chairman, if present, shall preside and if he be not present at such time then and in that case the Directors shall choose one of the Directors then present to preside at the meeting.

166. Questions arising at any meeting of Directors shall be decided by a majority of votes, and in case of an equality of votes the Chairman of the meeting (whether the Chairman or Vice-Chairman appointed by virtue of these Articles or the Director presiding at such meeting) shall have a second or casting vote.

Questions at Board Meetings how decided.

167. Subject to the provisions of Section 292 of the Act and Article 175, the Directors may delegate any of their powers to Committees consisting of such member or members of their body as they think fit and they may from time to time revoke and discharge any such Committee either wholly or in part, and either as to persons or purposes; but every Committee so formed shall, in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfilment of the 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 by the Board in terms of these Articles, and may pay the same.

Directors may appoint Committees.

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

Meetings of Committees how to be governed.

169. (1) A resolution passed by circular, without a meeting of the Board or a Committee of the Board appointed under Article 167 shall subject to the provisions of sub-clause (2) hereof and the Act be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a Committee duly called and held.

Resolution by circular.

(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 Committees then in India (not being less in number than the quorum for a meeting of the Board or Committee as the case may be), and to all other Directors or members of the Committee at their usual addresses in India and has been approved by such of the Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

(3) Subject to the provisions of the Act a statement signed by a Director or other person authorised in that behalf by the Directors certifying the absence from India of any Director shall for the purpose of this Article be conclusive.

Acts of Board or Committees valid notwithstanding defect of appointment.

170. Subject to the provisions of the Act and these Articles, all acts done by any meeting of the Directors or by a Committee of Directors or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid, or that they or any of them were or was disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director.

Minutes of proceedings of Board of Directors and Committees to be kept.

171. The Company shall cause minutes of the meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The minutes shall contain a fair and correct summary of the proceedings at the meeting including the following:-

- (i) the names of the Directors present at the meetings of the Board of Directors or of any Committee of the Board;
- (ii) all orders made by the Board of Directors or Committee of the Board and all appointments of officers and committees of Directors;
- (iii) all resolutions and proceedings of meetings of the Board of Directors and the Committees of the Board;
- (iv) in the case of each resolution passed at a meeting of the Board of Directors or Committees of the Board, the names of the Directors if any, dissenting from or not concurring in the resolution.

By whom minutes to be signed and the effect of minutes recorded.

172. All such minutes shall be signed by the Chairman of the meeting as recorded, or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be so signed shall for all purposes whatsoever be prima facie evidence of the actual passing of the resolutions recorded, and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

POWERS OF DIRECTORS

173. (1) Subject to the provisions of the Act and these Articles, the Board of Directors of the Company shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; Provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other Act or by the Memorandum or these Articles or otherwise, to be exercised or done by the Company in General Meeting; Provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Act or any other Act or in the Memorandum or in these Articles or in any regulations not inconsistent therewith duly made thereunder including regulations made by the Company in General Meeting.

General powers of the Directors.

(2) No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

174. The Board of Directors shall not except with the consent of the Company in General Meeting:-

Consent of Company necessary for the exercise of certain powers.

- (a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking;
- (b) remit, or give time for the repayment of, any debt due by a Director;
- (c) invest otherwise than in trust securities, the amount of compensation received by the Company in respect of the compulsory acquisition after 1st April, 1956 of any such undertaking as is referred to in sub-clause (a) above, or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- (d) borrow moneys in excess of the limits provided in Article 76;
- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the

aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the Act during the three financial years immediately preceding, whichever is greater.

Certain powers
to be exercised
by the Board
only at meeting.

175. (1) Without derogating from the powers vested in the Board of Directors under these Articles the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board:-

- (a) the power to make calls on shareholders in respect of money unpaid on their shares;
- (b) the power to issue debentures;
- (c) the power to borrow moneys otherwise than on debentures;
- (d) the power to invest the funds of the Company;
- (e) the power to make loans;

Provided that the Board may by resolution passed at a meeting delegate to any Committee of Directors or the Managing Director or any other principal officer of the Company or to a principal officer of any of its branch offices, the powers specified in (c), (d) and (e) of this Clause to the extent specified below on such conditions as the Board may prescribe.

(2) Every resolution delegating the power referred to in Clause (1) (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegates; Provided, however, that where the Company has an arrangement with its bankers, for the borrowing of moneys by way of overdraft, cash credit or otherwise the actual day to day operation of the overdraft, cash credit or other accounts by means of which the arrangement is made is availed of shall not require the sanction of the Board.

(3) Every resolution delegating the power referred to in Clause (1) (d) shall specify the total amount upto which the funds may be invested and the nature of the investments which may be made by the delegates.

(4) Every resolution delegating the power referred to in Clause (1) (e) shall specify the total amount upto which

loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.

(5) Nothing in this Article contained shall be deemed to affect the right of the Company in General Meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in (a), (b), (c), (d) and (e) of Clause (1) above.

176. Without prejudice to the powers conferred by Articles 76 and 173 and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding two Articles, it is hereby declared that the Directors shall have the following powers, that is to say power :-

Certain powers
of the Board.

- (1) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereout under the provisions of Sections 76 and 208 of the Act and Articles 26 and 27.
- (2) Subject to the provisions of the Act and these Articles to purchase or otherwise acquire for the Company any property rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (3) At their discretion and subject to the provisions of the Act, to pay for any property or rights acquired by or services rendered to the Company, either wholly or partially in cash, or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (4) To insure and keep insured against loss or damage by fire, or otherwise for such period

and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power,

- (5) To open accounts with any bank or bankers or with any company, firm or individual and to pay money into and draw money from any such account from time to time as the Directors may think fit.
- (6) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.
- (7) To attach to any shares to be issued as the consideration or part of the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions as to the transfer thereof as they think fit.
- (8) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or stock or any part thereof, so far as may be permissible by law.
- (9) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested, or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (10) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company.

- (11) To refer any claim or demand by or against the Company or any differences to arbitration and observe and perform any awards made thereon.
- (12) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (13) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (14) To determine from time to time who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purposes.
- (15) Subject to the provisions of the Act and these Articles to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security and other investments (not being share of this Company), or without security and in such manner as they may think fit, and from time to time to vary or realise such investments, provided that save as permitted by Section 49 of the Act, all investments shall be made and held in the Company's own name.
- (16) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants, provisions and agreements as shall be agreed on.
- (17) Subject to the provisions of the Act to give to any Director, officer or other person employed by the Company an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission on share of profits shall be treated as a part of the working expenses of the Company.

- (18) (a) To provide for the welfare of Directors, employees or ex-employees of the Company or its predecessors in business and the wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or quarters or by grants of money, pensions, gratuities, allowances, bonuses or profit sharing bonuses or benefits or any other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, profit sharing or other schemes or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.
- (b) To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public, political or any other institutions, objects or purposes, or for any exhibition.
- (19) Before recommending any dividend to set aside out of the profits of the Company such sums as they may think proper for depreciation, to a Depreciation Fund, General Reserve, Reserve, a Reserve Fund, Sinking Fund or any special or other fund or funds or account or accounts to meet contingencies to repay redeemable preference shares, debentures or debenture-stock, for special dividends, for equalising dividends, for repairing, improving, extending and maintaining any part of the property of the Company, and/or for such other purposes (including the purposes referred to in the last two preceding Sub-Clauses), as the Directors may, in their absolute discretion think conducive to the interests of the Company, and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the restrictions imposed by the Act) as the Directors may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the

interests of the Company notwithstanding that the matters to which the Directors apply or upon which they expend the same or any part thereof may be matters to or upon which the capital moneys of the Company might rightly be applied or expended and to divide the Reserve, General Reserve, or the Reserve Fund, into such special funds as the Directors may think fit, and to employ the assets constituting all or any of the above funds or accounts, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from the other assets, and without being bound to pay or allow interest on the same, with power however to the Directors at their discretion to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

- (20) To appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and employees for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit. And also without prejudice as aforesaid, from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India in such manner as they think fit and the provisions contained in Sub-Clauses (22), (23), (24) and (25) following shall be without prejudice to the general powers conferred by this Sub-Clause.
- (21) To comply with the requirements of any local law which in their opinion shall be in the interests of the Company necessary or expedient to comply with.
- (22) From time to time and at any time to establish any Local Board for managing any of the affairs of such Company in any specified locality in India or elsewhere and to appoint any persons to be members of such Local Boards, or any managers or agents, and to fix their remuneration.

Delegation.

- (23) Subject to the provisions of Section 292 of the Act and Article 175 from time to time, and at any time to delegate to any such Local Board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities and discretions for the time being vested in the Board of Directors, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation under Sub-Clause (22) of this Article may be made on such terms, and subject to such conditions as the Board of Directors may think fit, and the Board of Directors may at any time remove any person so appointed, and may annul or vary any such delegation.
- (24) At any time and from time to time by power of attorney to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board of Directors under these presents and excluding the powers which may be exercised only by the Board of Directors under the Act or these Articles) and for such period and subject to such conditions as the Board of Directors may from time to time think fit; and any such appointment may (if the Board of Directors think fit) be made in favour of the members or any of the members of any Local Board, established as aforesaid or in favour of any company, or the members, directors, nominees or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board of Directors and any such power of attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board of Directors may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- (25) Generally subject to the provisions of the Act and these Articles to delegate the powers, authorities and discretions vested in the

Directors to any person, firm, company, or fluctuating body of persons as aforesaid.

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

REGISTERS, BOOKS AND DOCUMENTS

177. (1) The Company shall maintain Registers, Books and Documents as required by the Act or these Articles including the following, namely :-

Registers,
Books and
Documents.

- (a) Register of Investments not kept in Company's name according to Section 49 of the Act.
- (b) Register of Mortgages, Debentures and Charges according to Section 143 of the Act.
- (c) Register of Members and an Index of Members according to Sections 150 and 151 of the Act.
- (d) Register and Index of Debenture-holders according to Section 152 of the Act.
- (e) Register of Contracts, companies and firms in which Directors are interested according to Section 301 of the Act.
- (f) Register of Directors and Managing Director, according to Section 303 of the Act.
- (g) Register of Directors' Shareholdings and Debenture-holdings according to Section 307 of the Act.
- (h) Register of Investments in shares or debentures of bodies corporate according to Section 372 of the Act.
- (i) Books of Account in accordance with the provisions of Section 209 of the Act.

- (j) Copies of Instruments creating any charge requiring registration according to Section 136 of the Act.
- (k) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of Certificates required under Section 161.
- (l) Register of Renewed and Duplicate Certificates according to Rule 7(2) of the Companies (Issue of Share Certificates) Rules, 1960.

(2) The said Registers, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and shall be kept open for inspection by such persons as may be entitled thereto respectively, under the Act, on such days and during such business hours as may, in that behalf be determined in accordance with the provisions of the Act or these Articles and extracts shall be supplied to the persons entitled thereto in accordance with the provisions of the Act or these Articles.

(3) The Company may keep a Foreign Register of Members in accordance with Sections 157 and 158 of the Act. Subject to the provisions of Sections 157 and 158 the Directors may from time to time make such provisions as they may think fit in respect of the keeping of such Branch Registers of Members and/or Debenture-holders.

MANAGING DIRECTORS

Powers to
appoint
Managing
Directors.

178. Subject to the provisions of Sections 267, 268, 269, 310, 311, 316 and 317 and other applicable provisions of the Act and of these Articles, the Directors may from time to time appoint one or more of their body to be a Managing Director or Managing Directors (in which expression shall be included a Joint Managing Director) of the Company for such term not exceeding five years at a time as they may think fit and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

What provisions
he shall be
subject to.

179. Subject to the provisions of the Act and of these Articles, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation under Article 146 but he shall subject to the provisions of any contract between him and the Company be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and

immediately cease to be a Managing Director if he ceases to hold the office of Director from any cause. Provided that if at any time the number of Directors (including Managing Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being then such Managing Director or Managing Directors as the Directors shall from time to time select shall be liable to retirement by rotation in accordance with Article 146 to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

180. The remuneration of a Managing Director (subject to the Section 309 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of those modes. A Managing Director shall not receive or be paid any commission on sales or purchases made by or on behalf of the Company.

Remuneration
of Managing
Director.

181. Subject to the superintendence, control and direction of the Board of Directors the day to day management of the Company shall be in the hands of the Managing Directors. The Directors may from time to time entrust to and confer upon a Managing Director for the time being save as hereafter in this article provide such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, an in substitution for, all or any of the powers of the Directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers. Provided however that the Directors shall not entrust to and confer upon a Managing Director and a Managing Director shall not have or be entitled to exercise the power (1) to make calls upon the members of the Company in respect of moneys unpaid on the shares held by them respectively, (2) to borrow any sum or sums of money for the purposes of the Company or to make loans out of the funds of the Company except within such limits as may from time to time be previously fixed by the Directors, or (3) to invest any of the moneys of the Company.

Powers and
duties of
Managing
Directors.

THE SEAL

Seal. 182. The Directors shall provide a Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the Seal for the time being; and the Seal shall never be used except by the authority of the Directors or a Committee of Directors previously given.

Deeds how executed. 183. Every Deed or other instrument to which the Seal of the Company is required to be affixed, shall unless the same is executed by a duly constituted attorney of the Company, be signed by two Directors provided nevertheless that Certificates of debentures may be signed by one Director only or by an attorney of the Company duly authorised in this behalf, and certificates of shares shall be signed as provided in Article 28(a).

Seals abroad. 184. The Company may exercise the powers conferred by Section 50 of the Act and such powers shall accordingly be vested in the Directors.

DIVIDENDS

Division of Profits. 185. The profits of the Company subject to any special rights relating thereto created or authorised to be created by the Memorandum or these Articles and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. 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 Directors otherwise determine, only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment.

Capital paid up in advance at interest not to earn dividend. 186. Where capital is paid up in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to participate in profits.

Dividends in proportion to amount paid up. 187. The Company may pay dividends in proportion to the amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others.

The Company in General Meeting may 188. The Company in General Meeting may subject to Section 205 of the Act declare a dividend to be paid to the

members according to their respective rights and interests in the profits and subject to the provisions of the Act may fix the time for payment. When a dividend has been so declared, the warrant in respect thereof shall be posted within forty-two days from the date of the declaration to the shareholders entitled to the payment of the same.

declare a dividend.

189. No larger dividend, shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits or otherwise than in accordance with the provisions of Sections 205, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.

Power of Directors to limit dividend.

190. Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Interim dividend.

191. Subject to the provisions of the Act, the Directors may, retain the dividends payable upon shares in respect of which any person is, under Article 66 hereof, entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

Retention of dividends until completion of transfer under Article 66.

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

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

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

Transfer of shares must be registered.

194. Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the registered address of the member or person entitled, or in case of joint holders to that one of them first named in the register in respect of the joint holding. Every such cheque shall be made payable to the order of the person to whom

Dividends, how remitted.

it is sent. The Company shall not be liable or responsible for any cheque or warrant lost in transmission or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent or improper recovery thereof by any other means.

Unclaimed dividends.

195. Any unpaid or unclaimed dividends will be dealt with by the Company in accordance with the requirements of the provisions of the Companies Act, 1956.

Dividend and call together.

Set off allowed.

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

CAPITALIZATION

Capitalisation.

197. (1) Any General Meeting may resolve that any amounts standing to the credit of the share premium account or the Capital Redemption Reserve Account or any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and, where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend be capitalized :-

- (a) by the issue and distribution as fully paid up of shares, debentures, debenture-stock, 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, with the whole or any part of the sum remaining unpaid thereon.

Provided that any amounts standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital on shares of the Company to be issued to members (as herein provided) as fully paid bonus shares.

Provided further that notwithstanding anything contained hereinabove, any amounts standing to the credit of the Share Premium Account may also be utilised (other than for Capitalization), in accordance with the provisions of law.

(2) Such issue and distribution under (1) (a) above and such payment to credit of unpaid share capital under (1)(b) above shall be made to, among and in favour of the members or any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (1)(a) or payment under (1)(b) above shall be made on the footing that such members become entitled thereto as capital.

(3) The Directors shall give effect to any such resolution and apply such portion of the profits, General Reserve, Reserve or Reserve Fund or any other Fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under (1)(a) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid up under (1)(b) above provided that no such distribution or payment shall be made unless recommended by the Directors and if so recommended such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.

(4) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates and may fix the value for distribution of any specific assets and may determine that cash payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, debentures, debenture-stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debenture-stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.

(5) When deemed requisite a proper contract shall be filed in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

(6) Subject to the provisions of the Act and these Articles in cases where some of the shares of the Company

Capitalization
in respect of
partly paid up
shares.

are fully paid and others are partly paid, only such capitalization may be effected 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 sums so applied in the payment of such further shares and in the extinguishment or diminution of the liability on the partly paid shares shall be so applied pro rata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

ACCOUNTS

Books of
Account to
be kept.

198. (1) The Company shall keep at its registered office proper books of account with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
- (b) all sales and purchases of goods by the Company; and
- (c) the assets and liabilities of the Company;

Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides, the Company shall, within seven days of the decision, file with the Registrar a notice in writing giving the full address of that other place.

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

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

(4) The books of account and other books and papers shall be open to inspection by any director during business hours.

(5) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of account shall be preserved in good order.

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

Inspection by members of accounts and books of the Company.

200. The Board of Directors shall lay before each Annual General Meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or where an extension of time has been granted by the Registrar under the provisions of the Act by more than six months and the extension so granted.

Statements of Accounts to be furnished to General Meeting.

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

Balance Sheet and Profit & Loss Account.

(2) There shall be annexed to every Balance Sheet a statement showing the bodies corporate (indicating separately the bodies corporate in the same group within the meaning of Section 372(11) of the Act) in the shares of which investments have been made by it (including all investments, whether existing or not, made subsequent to the date as at which the previous Balance Sheet was made out) and the nature and extent of the investments so made in each body corporate.

(3) So long as the Company is a holding Company having a subsidiary, the Company shall conform to Section 212 and other applicable provisions of the Act.

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

Authentication
of Balance Sheet
and Profit &
Loss Account.

202. (1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the Board of Directors by the Manager or Secretary (if any) and by not less than two Directors of the Company, one of whom shall be a Managing Director.

(2) Provided that when only one Director is for the time being in India, the Balance Sheet and Profit and Loss Account shall be signed by such Director and in such a case there shall be attached to the Balance Sheet and the Profit and Loss Account a statement signed by him explaining the reason for non-compliance with the provisions of sub-clause (1).

(3) The Balance Sheet and the Profit and Loss Account shall be approved by the Board of Directors before they are signed on behalf of the Board in accordance with the provisions of this Article and before they are submitted to the auditors for their report thereon.

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

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

Board's Report
to be attached
to Balance
Sheet.

204. (1) Every Balance Sheet laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the state of the Company's affairs; the amounts, if any, which it proposes to carry to any Reserve in such Balance Sheet; and the amount, if any, which it recommends to be paid by way of dividend and material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

(2) The Report shall, so far as it is material for the appreciation of the state of the Company's affairs by its members, and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year in the nature of the Company's business, in the Company's subsidiaries or in the nature of the business carried on by them and generally in the classes of business in which the Company has an interest.

(3) The Board shall also give the fullest information and explanations in its report or in cases falling under the proviso to Section 222 of the Act in an addendum to that

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

(4) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorised in that behalf by the Board; and where he is not so authorised shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of Clauses (1) and (2) of Article 202.

(5) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of Clauses (1) to (3) of this Article are complied with.

205. The Company shall comply with the requirements of Section 219 of the Act.

Right of members to copies of Balance Sheet and Auditors' Report.

ANNUAL RETURNS

206. The Company shall make the requisite annual returns in accordance with Sections 159 and 161 of the Act, and shall file with the Register three copies of the Balance Sheet and Profit and Loss Account in accordance with Section 220 of the Act.

Annual Returns.

AUDIT

207. Every Balance Sheet and Profit and Loss Account of the Company shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

Accounts to be audited.

208. (1) The Company at the Annual General Meeting in each year shall appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting, and shall within seven days of the appointment, give intimation thereof to every Auditor so appointed unless he is a retiring Auditor.

Appointment of Auditors.

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

- (a) he is not qualified for re-appointment;
- (b) he has given the Company notice in writing of his unwillingness to be re-appointed;

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

(d) where notice has been given of an intended resolution to appoint some person or persons in the place of a retiring Auditor, and by reason of the death, incapacity or disqualification of that person or of all those persons, as the case may be resolution cannot be proceeded with.

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

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

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

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

Qualification
and
disqualification
of Auditors.

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

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

Audit of
Branch Officers.

209. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company except to the

extent to which any exemption may be granted by the Central Government in that behalf.

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

Remuneration
of Auditors.

211. (1) Every Auditor of the Company shall have the right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.

Rights and
duties of
Auditors.

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

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

- (i) in the case of the Balance Sheet, of the state of the Company's affairs as at the end of its financial year; and
 - (ii) in the case of the Profit and Loss Account, of the profit or loss for its financial year.
- (4) The Auditors' Report shall also state -
- (a) whether he has obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit;
 - (b) whether, in his opinion, proper books of

accounts as required by law have been kept by the Company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;

- (c) whether the report on the accounts of any branch office audited under Section 228 by a person other than the Company's Auditor has been forwarded to him as required by clause (c) of sub-section (3) of that Section and how he has dealt with the same in preparing the Auditors' Report.
- (d) Whether the Company's Balance Sheet and Profit and Loss Account dealt with by the Report are in agreement with the books of account and returns.

(5) Where any of the matters referred to in Clauses (i) and (ii) of sub-section (2) of section 227 of the Act, or in clauses (a), (b), (bb) and (c) of sub-Section (3) of Section 227 of the Act, or sub-clauses 4(a), (b), (c) and (d) hereof is answered in the negative or with a qualification, the Auditors' Report shall state the reason for the answer.

(6) The accounts of the Company shall not be deemed as not having been, and the Auditors' report shall not state that those accounts have not been, properly drawn up on the ground merely that the Company has not disclosed certain matters if :-

- (a) those matters are such as the Company is not required to disclose by virtue of any provisions contained in the Act or any other Act; and
- (b) those provisions are specified in the Balance Sheet and Profit and Loss Account of the Company.

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

212. Every account when audited and approved by a General Meeting shall be conclusive except as regards any error, discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall forthwith be corrected, and thenceforth shall be conclusive.

DOCUMENTS AND SERVICE OF DOCUMENTS

213. (1) A document (which expression for this purpose shall be deemed to include and shall include any summons, notice, requisition, process, order, judgement or any other document in relation to or in the winding up of the Company) may be served or sent by the Company on or to any member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address if any within India supplied by him to the Company for the giving of notices to him.

How document to be served on members.

(2) Where document is sent by post -

(a) service thereof shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so service of the document shall not be deemed to be effected unless it is sent in the manner intimated by the member; and

(b) such service shall be deemed to have been effected -

(i) in the case of a notice of a meeting, at the expiration of forty-eight hours after the letter containing the notice is posted; and

(ii) in any other case, at the time at which the letter would be delivered in the ordinary course of post.

214. If a member has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him, a document advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on him on the day on which the advertisement appears.

Service on members having no registered address.

215. A document may be served by the Company on the persons entitled to a share in consequence of the death

Service on persons

acquiring shares on death or insolvency of member.

or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served if the death or insolvency had not occurred.

Persons entitled to notice of general meetings.

216. Subject to the provisions of the Act and these Articles notice of General Meeting shall be given -

- (i) to members of the Company as provided by Article 90 in any manner authorised by Article 213 and 214 as the case may be or as authorised by the Act;
- (ii) to the persons entitled to a share in consequence of the death or insolvency of a member as provided by Article 215 or as authorised by the Act;
- (iii) to the Auditor or Auditors for the time being of the Company, in any manner authorised by Article 213 or the Act in the case of any member or members of the Company.

Advertisement.

217. Subject to the provisions of the Act any document required to be served or sent by the Company on or to the members, or any of them, and not expressly provided for by these presents, shall be deemed to be duly served or sent if advertised once in one daily English and one daily Vernacular newspaper circulating in Bombay.

Members bound by document given to previous holders.

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

Notice valid.

219. Subject to the provisions of the Act any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company have notice of his decease be deemed to have been duly served in respect of any registered share whether held solely or jointly with other

person by such member until some other person be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such shares.

220. Any notice to be given by the Company shall be signed by the Managing Director or by such Officer as the Directors may appoint and such signature may be written, printed or lithographed.

Notice by
Company and
signature
thereto.

221. All notices to be given on the part of members to the Company shall be left at or sent by registered post to the Registered Office of the Company.

Service of
notice by
members.

AUTHENTICATION OF DOCUMENTS

222. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, one of the Managing Directors, or an authorised officer of the Company and need not be under its Seal.

Authentication
of documents
and
proceedings.

WINDING UP

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

Distribution
of assets.

224. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may with the sanction of an Extraordinary Resolution, divide amongst the contributories, in specie or kind, any part of the assets

Distribution in
specie or kind.

of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, with the like sanction shall think fit.

(2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the Extra-ordinary Resolution by notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the liquidators shall if practicable act accordingly.

Right of
shareholders in
case of sale.

225. A special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.

SECURITY CLAUSE

Security Clause.

226. No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors or the Managing Director it will be inexpedient in the interest of the members of the Company to communicate to the public.

INDEMNITY AND RESPONSIBILITY

227. (a) Subject to the provisions of Section 201 of the Act every Director, Managing Director, Manager, Secretary and other Officer or employee of the Company shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Managing Director, officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, officer or servant or in any way in the discharge of his duties.

Directors' and
others' right to
Indemnity.

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

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

Not responsible
for acts of
others.

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

DATED THIS FOURTH DAY OF SEPTEMBER 1954.

Names of Subscribers	Descriptions and Addresses of the Subscribers	Number of Shares taken by each Subscriber	Witnesses
A.D. SHROFF ...	Industrialist, Bombay House, Bruce Street, Bombay 1.	One (Ordinary)	Witness to all signatures :- V.G. MOKASHI Secretary, The Tata Iron & Steel Co. Ltd., Bombay House, Bruce Street, Bombay 1.
J.D. CHOKSI ...	- do -	One (Ordinary)	
S. MOOLGAOKAR ...	- do -	One (Ordinary)	
K.C. BAKHLE ...	- do -	One (Ordinary)	
R.F.S. TALYARKHAN ...	Deputy Agent, Tata Iron & Steel Co. Ltd., Bombay House, Bruce Street, Bombay 1.	One (Ordinary)	
B. REINHART ...	Merchant, St.Georgenplatz 1, Winterthur, Switzerland.	One (Ordinary)	
R.H. SCHUEPP ...	Merchant, 19, Graham Road, Bombay 1.	One (Ordinary)	
P. GREGORI ...	- do -	One (Ordinary)	

VOLTAS LIMITED

MUMBAI

HIGH COURT/NCLT ORDERS AND SCHEME OF AMALGAMATIONS

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High Court

ORDINARY ORIGINAL CIVIL JURISDICTION

Company Petition No.182 of 1980 Connected with
Company Application No. 40 of 1980.

In the matter of Companies Act I of 1956;

And

In the matter of the Scheme of Amalgamation
of Tata-Merlin & Gerin Limited with Voltas Limited.

Tata-Merlin & Gerin Limited.....Petitioner.

CERTIFIED COPY OF

ORDER SANCTIONING SCHEME OF
AMALGAMATION

Dated the 3rd day of July, 1980.

Filed this 23rd day of July,1980.

Applied on 5-7-80
Typed on 27-7-80
Section writer Sd/-
Folios 50
Examined Sd/-
Compared with Sd/-
Ready for Court Fee 23-7-80
Ready for Delivery
Delivered on

Messrs. Mulla & Mulla and
Craigie Blunt & Caroe...
Advocate for the Petitioner,
Jehangir Wadia Bldg., 51,
Mahatma Gandhi Road, Bombay-
400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

Company Petition No.182 of 1980.

(Connected with Company Application No.40 of 1980)

Coram: Mody J.
3rd July 1980.

In the matter of the Companies
Act, 1956;

And

In the matter of Tata-Merlin &
Gerin Limited

And

In the matter of the Scheme of
Amalgamation of Tata-Merlin &
Gerin Limited with Voltas
Limited.

Tata-Merlin & Gerin Limited,
a Company incorporated under
the Companies Act, I of
1956, and having its Regis-
tered Office at Raj Mahal,
84, Veer Nariman Road,
Bombay-400 020.

.. .. . Petitioner.

UPON the Petition of Tata-Merlin & Gerin Limited, the
Petitioner Company abovenamed (hereinafter referred to as "the
Transferor Company") presented to this Hon'ble Court on the 7th
day of April 1980 for sanction of an Arrangement embodied in the
Scheme of Amalgamation of the Transferor Company, with Voltas
Limited, (hereinafter referred to as the "Transferee Company")
and for other consequential reliefs as in the Petition mentioned
AND the said Petition being this day called on for hearing and
final disposal AND UPON READING the said Petition and the Affi-
davit of Dattatraya Rama Hegde, the Secretary of the Transferor
Company dated the 7th day of April 1980, verifying the said
Petition AND UPON READING the Affidavit of the said Dattatraya
Rama Hegde, dated the 30th day of May 1980 showing the publica-
tion of the Notice of the date of hearing of the said Petition and
proving service of the Notice of the said Petition upon the Credi-
tors of the Transferor Company in the sum of Rs.50,000/- (Rupees
Fifty thousand only) and above as directed by the Order herein

dated the 28th day of April 1980 AND UPON READING the Order dated the 7th day of February 1980 made by Hon'ble Court in Company Application No.40 of 1980, whereby the Transferor Company was ordered to convene a meeting of the Equity Shareholders of the Transferor Company for the purpose of considering and if thought fit approving with or without modification, the Arrangement proposed to be made for the amalgamation of the Transferor Company with the Transferee Company and annexed as Exhibit "B" to the Affidavit of Dattatraya Rama Hegde, dated the 25th day of January 1980 in support of the said Company Application, AND UPON PERUSING the issue of the Maharashtra Government Gazette dated the 21st day of February 1980 and the issues of "Indian Express" dated the 18th day of February 1980 "Bombay Samachar" dated the 18th day of February 1980 and of "Lok Satta" dated the 18th day of February 1980, each containing the advertisement of the said Notice convening the said Meeting directed to be held by the said order dated the 7th day of February 1980 AND UPON READING the Affidavit of the said Dattatraya Rama-Hegde dated the 10th day of March 1980, showing the publication and despatch of Notices convening the said meeting AND UPON READING the Report dated the 28th day of March 1980 of A.H. Tobaccowala, the Chairman of the said Meeting as to the result of the said Meeting AND UPON HEARING Shri. I.M. Chagla, Advocate for the Transferor Company, and Shri. A.M. Shah, Advocate for the Regional Director, Company Law Board, Bombay, on behalf of the Central Government, who appears in pursuance of the Notice herein dated the 9th day of May 1980 under Section 394-A of the Companies Act, 1956, and states that the Central Government desires to file no representations and submits to the orders of this Hon'ble Court AND IT APPEARING from the said Report of the Chairman of the said Meeting that the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company has been approved by majority of not less than three-fourths in value of the Equity Shareholders of the Transferor Company present and voting in person or by proxy AND UPON HEARING Shri. D.P. Singhal, Assistant Official Liquidator attached to this Hon'ble Court, who applies for time to make and file Report under the second proviso to Section 394(2) of the Companies Act, 1956, as directed by the Order herein dated the 28th April 1980, And no person entitled to appear at the hearing of the said Petition appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the Scheme of Amalgamation of Tata-Merlin & Gerin Limited, the Transferor Company with Voltas Limited, the Transferee Company as set forth in Exhibit "C" to the said Petition and also in the Schedule annexed hereto AND DOTH HEREBY DECLARE the same to be binding on the Equity Shareholders of the Transferor Company and the Transferee Company and also on the Transferor Company and the Transferee Company AND THIS COURT DOTH ORDER that on and from the 1st day of July 1979 (hereinafter and in the Scheme of Amalgamation

sanctioned herein, referred to as "the Appointed Day") the entire business and undertaking of the Transferor Company including all its properties, moveable and other assets of whatsoever nature, including industrial and other licences and quota rights, trade marks and other industrial property rights, leases, and tenancy rights, if any, benefits of all agreement and all other interests, rights or powers of every kind, nature and description whatsoever (all such business undertaking, properties, assets, rights and powers are hereinafter collectively referred to as "the Undertaking" in the Scheme of Amalgamation sanctioned herein) be transferred without further act or deed to the Transferee Company and the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and do vest in the Transferee Company free from all the estate and interest of the Transferor Company therein, but subject nevertheless to all charges now affecting the same AND THIS COURT FURTHER ORDER that on and from the Appointed Day, all debts, liabilities, duties and obligations 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 do become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH DECLARE that as on and from the Appointed Day, the Transferor Company shall be deemed to have carried on its business and activities on and from the Appointed Day for and on behalf of and for the benefit and on account of the Transferee Company and all profits accruing or losses arising or incurred by or in the business of the Transferor Company as and from the Appointed Day shall for all purposes be and shall be treated as profits or losses as the case may be of the Transferee Company and as such the Transferor Company shall carry on its business and activities on and from the Appointed Day as economically and efficiently as possible and with utmost prudence and without creating any charge on or making any alienation of or otherwise dealing with the undertaking or any part thereof except in the ordinary course of business AND THIS COURT DOTH FURTHER ORDER that subject to the provisions of the Scheme of Amalgamation sanctioned herein, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect without any further concurrence of any other party or parties thereto shall remain in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, deputation of one or more observers, appointment, reappointment, remuneration and change of wholtime Chairman, Managing Director, wholtime Director/Manager, Key Officials, declaration and/or payment of dividends, raising borrowing and/or redeeming of loans, credits and investments, contribution to charitable and other funds and appointment of agents or

distributors contained in the Agreements with or correspondence exchanged between the Transferor Company and the banks and/or financial institutions shall be waived and/or modified by the banks and financial institutions to the mutual satisfaction of all the parties concerned AND THIS COURT DOTH FURTHER ORDER that all proceedings if any by or against the Transferor Company relating to its undertaking, liabilities, obligations and duties pending on and after the Appointed Day shall be continued and enforced by or against the Transferee Company as the case may be AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do with effect from the Appointed Day take over all such employees of the Transferor Company, as are willing to join the Transferee Company as far as possible on the same terms and conditions not less favourable to them without any break or interruption of service AND THIS COURT DOTH FURTHER ORDER that in consideration of the transferors herein, the Transferee Company do without further application, issue and allot to the members of the Transferor Company, the shares in and the debentures of the Transferee Company to which they are entitled to under the Scheme of Amalgamation sanctioned herein and set forth in the Schedule hereto AND THIS COURT DOTH FURTHER ORDER that the hearing of said Petition be and is hereby adjourned to the 21st day of August 1980 for orders on Prayer (1) of the said Petition for dissolution of the Transferor Company without winding-up AND THIS COURT DOTH FURTHER ORDER that the Transferor Company do within thirty days, after the date of sealing of this Order, cause a certified copy thereof to be delivered to the Registrar of Companies Maharashtra, Bombay, for registration AND THIS COURT DOTH FURTHER ORDER that the parties to the Scheme of Amalgamation sanctioned herein or any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein or in the above matter AND THIS COURT DOTH LASTLY ORDER that the Transferor Company do pay the sum of Rs.300/- (Rupees Three Hundred only) to the Regional Director, Company Law Board, Bombay, as costs of the said Petition, WITNESS SHRI BALKRISHNA NARHAR DESHMUKH, Chief Justice at Bombay, aforesaid, this 3rd day of July, 1980.

By the Court,
Sd/- I.S. MECWAN
For Prothonotary and Senior Master.

SEAL
Sd/- Y.M. KAZI
SEALER
This 23rd day of July, 1980.

Order sanctioning the Scheme of Amalgamation
under Sections 391 and 394 of the Companies
Act, 1956, drawn on this 22nd day of July, 1980.

SCHEDULE

High Court

ORDINARY ORIGINAL CIVIL JURISDICTION

**Company Petition No. 183 of 1980 Connected with
Company Application No. 41 of 1980.**

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

And

**In the matter of the Scheme of Amalgamation
of Tata-Merlin & Gerin Limited with Voltas Limited.**

Voltas Limited Petitioner.

**CERTIFIED COPY OF
ORDER SANCTIONING SCHEME OF
AMALGAMATION**

Dated this 3rd day of July, 1980.

Filed this 23rd day of July, 1980.

Applied on 5-7-80
Typed on 23-7-80
Section writer Sd/-
Folios 50
Examined Sd/-
Compared with Sd/-
Ready for Court Fee 23-7-80
Ready for Delivery
Delivered on

Messrs. Mulla & Mulla and Craigie,
Blunt & Caroe., Advocate for the
Petitioner, Jehangir Wadia Bldg.,
51, Mahatma Gandhi Road, Bombay-
400 023.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

Company Petition No.183 of 1980.

(Connected with Company Application No.41 of 1980)

Coram: Mody J.
3rd July 1980.

In the matter of Companies
Act, 1956;

And

In the matter of Voltas Limited;

And

In the matter of the Scheme of
Amalgamation of Tata-Merlin &
Gerin Limited with Voltas
Limited.

Voltas Limited a Company
incorporated under the Indian
Companies Act, 1913, and
having its Registered Office at
19, J.N. Heredia Marg, Ballard
Estate, Bombay-400 038.

.. .. . Petitioner

UPON the Petition of Voltas Limited, the Petitioner Company abovenamed (hereinafter referred to as "the Transferee Company") presented to his Hon'ble Court on the 14th day of April 1980 for sanction of an Arrangement embodied in the Scheme of Amalgamation of Tata-Merlin & Gerin Limited, (hereinafter referred to as "the Transferor Company") with the Transferee Company, and for other consequential reliefs as in the Petition mentioned AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Venilal Mohanalal Parekh, the Secretary of the Transferee Company dated the 14th of April 1980, verifying the said Petition AND UPON READING the Affidavit of the said Venilal Mohanalal Parekh dated the 9th day of June 1980 showing the publication of the Notice of the date of hearing of the said Petition and proving service of the Notice of the said Petition upon the Creditors of the Transferee Company in the sum of Rs.1,00,000/- (Rupees One Lac only) and above as directed by the Order herein dated the 28th day of

April 1980 AND UPON READING the Order dated the 7th day of February 1980 made by this Hon'ble Court in Company Application No.41 of 1980, whereby the Transferee Company was ordered to convene a Meeting of the Equity Shareholders of the Transferee Company for the purpose of considering and if thought fit approving with or without modification, the Arrangement proposed to be made for the amalgamation of the Transferor Company with the Transferee Company and annexed as Exhibit "B" to the Affidavit of Venilal Mohanlal Parekh, dated the 25th day of January 1980 in support of the said Company Application, AND UPON PERUSING the issue of the Maharashtra Government Gazette dated the 21st day of February 1980 and the issues of Times of India (Bombay Edition) dated the 21st day of February 1980, "Times of India" (Ahmedabad Edition) dated the 27th February 1980, "Bombay Samachar" dated the 21st day of February 1980 and of "Lok Satta" dated the 21st day of February 1980, each containing the advertisement of the said Notice convening the said Meeting directed to be held by the said Order dated the 7th day of February 1980 AND UPON READING the Affidavit of the said Venilal Mohanlal Parekh dated the 13th day of March 1980, showing the publication and despatch of Notices convening the said Meeting AND UPON READING the Report dated the 31st day of March 1980 of Akbar Hydari, the Chairman of the said Meeting as to the results of the said Meeting AND UPON HEARING Shri K.S. Cooper (with Shri E.A. Faizullahoy), Advocate for the Transferee Company, and Shri. A.M. Shah, Advocate for the Regional Director, Company Law Board, Bombay, on behalf of the Central Government, who appears in pursuance of the Notice herein dated the 8th day of May 1980 under Section 394-A of the Companies Act, 1956, and states that the Central Government desires to file no representations and submits to the orders of this Hon'ble Court AND IT APPEARING from the said Report of the Chairman of the said Meeting that the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company has been approved by a majority of not less than three-fourths in value of the Equity Shareholders of the Transferee Company present and voting in person or by proxy And no person entitled to appear at the hearing of the said Petition appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the scheme of Amalgamation of Tata-Merlin & Gerin Limited, the Transferor Company with Voltas Limited, the Transferee Company as set forth in Exhibit "C" to the said Petition and also in the Schedule annexed hereto AND DOTH HEREBY DECLARE the same to be binding on the Equity Shareholders of the Transferor Company and the Transferee Company and also on the Transferor Company and the Transferee Company AND THIS COURT DOTH ORDER that on and from the 1st day of July 1979 (hereinafter and in the Scheme of Amalgamation sanctioned herein, referred to as "the Appointed Day") the entire business and undertaking of the Transferor Company including all its properties, moveable and other assets of whatsoever nature,

including industrial and other licences and quota rights, trade marks and other industrial property rights, leases, and tenancy rights, if any, benefits of all agreements and all other interests, rights or powers of ever kind, nature and description whatsoever (all such business undertaking properties, assets, rights and powers are hereinafter collectively referred to as "the Undertaking" in the Scheme of Amalgamation sanctioned herein) be transferred without further act or deed to the Transferee Company and the same shall pursuant to Section 392(2) of the Companies Act, 1956, be transferred to and do vest in the Transferee Company free from all the estate and interest of the Transferor Company therein, but subject nevertheless to all charges now affecting the same AND THIS COURT DOTH FURTHER ORDER that on and from the Appointed Day, all debts, liabilities duties and obligation of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and do become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH DECLARE that as on and from the Appointed Day, the Transferor Company shall be deemed to have carried on its business and activities on and from the Appointed Day for and on behalf of and for the benefit and on account of the Transferee Company and all profits accruing or losses arising or incurred by or in the business of the Transferor Company as and from the Appointed Day shall for all purposes be and shall be treated as profits or losses as the case may be of the Transferee Company and as such the Transferor Company shall carry on its business and activities on and from the Appointed Day as economically and efficiently as possible and with utmost prudence and without creating any charge on or making any alienation of or otherwise dealing with the undertaking or any part thereof except in the ordinary course of business AND THIS COURT DOTH FURTHER ORDER that subject to the provisions of the Scheme of Amalgamation sanctioned herein, all contracts deeds, bonds, agreements and other instruments of whatsoever, nature to which the Transferor Company is a party, subsisting or having effect without any further concurrence of any other party or parties thereto shall remain in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, deputation of one or more observers, appointment, reappointment, remuneration and change of wholetime Chairman, Managing Director; wholetime Director/Manager, Key Officials, declaration and/or payment of dividends, raising borrowing and/or redeeming of loans, credits and investments, contribution to charitable and other funds and appointment of agents or distributors contained in the Agreements with or correspondence exchanged between the Transferor Company and the banks and/or financial institutions shall be waived and/or modified

by the banks and financial institutions to the mutual satisfaction of all the parties concerned AND THIS COURT DOTH FURTHER ORDER that all proceedings if any by or against the transferor Company relating to its undertaking, liabilities, obligations and duties pending on and after the Appointed Day shall be continued and enforced by or against the Transferee Company as the case may be AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do with effect from the Appointment Day take over all such employees of the Transferor Company, as are willing to join the Transferee Company as far as possible on the same terms and conditions not less favourable to them without any break or interruption of service AND THIS COURT DOTH FURTHER ORDER that in consideration of the transfers herein, the Transferee Company do without further application, issue and allot to the members of the Transferor Company, the shares in and the Debentures of the Transferee Company to which they are entitled to under the Scheme of Amalgamation sanctioned herein and set forth in the Schedule hereto AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do within thirty days, after the date of sealing of this Order, cause a certified copy thereof to be delivered to the Registrar of Companies, Maharashtra, Bombay, for registration and on the certified copy of Order for dissolution of the Transferor Company being delivered for registration, the Registrar of Companies, Maharashtra, Bombay, shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the parties to the Scheme of Amalgamation sanctioned herein or any other or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein or in the above matter AND THIS COURT DOTH LASTLY ORDER that the Transferee Company do pay the sum of Rs.300/- (Rupees Three Hundred only) to the Regional Director, Company Law Board, Bombay, as costs of the said Petition, WITNESS SHRI BALKRISHNA NARHAR DESHMUKH, Chief Justice at Bombay aforesaid, this 3rd day of July, 1980.

By the Court,
Sd/- I.S. MECWAN,
For Prothonotary and Senior Master

Seal
Sd/- Y.K. KAZI
SEALER
This 23rd day of July, 1980.

Order sanctioning the Scheme of Amalgamation under Sections 391 and 394 of the Companies Act, 1956, drawn on this 22nd day of July, 1980.

.. ... SCHEDULE

SCHEDULE REFERRED TO HEREINABOVE
SCHEME OF AMALGAMATION
OF
TATA-MERLIN & GERIN LIMITED
WITH
VOLTAS LIMITED

This Scheme of Amalgamation is effective as from 1st July, 1979, which date is herein after referred to as "the Appointed Day."

2. On and from the Appointed Day, the entire business and undertaking of Tata-Merlin & Gerin Ltd., a public company having its Registered Office at Raj Mahal, 84, Veer Nariman Road, Bombay-400 020, (hereinafter referred to as "the Transferor Company") including all its properties, moveable and other assets of whatsoever nature, including industrial and other licences and quota rights, trade marks and other industrial property rights, leases and tenancy rights, if any, benefits of all agreements and all other interests, rights or powers of every kind, nature and description whatsoever (all such business undertaking, properties, assets, rights and powers are hereinafter, collectively for the sake of brevity referred to as "the Undertaking") shall, without any further act or deed, be and the same shall stand transferred to and vested in and be deemed to have been transferred to and vested in Voltas Limited, a Public company having its Registered Office at 19, J.N. Heredia Marg, Ballard Estate, Bombay-400 038, (hereinafter referred to as "the Transferee Company") pursuant to the provisions of Section 394 and/or any other applicable provisions of the Companies Act, 1956 (hereinafter referred to as "the said Act") for all the estate and interest of the Transferor Company subject to charges if any then affecting the Undertaking of the Transferor Company without such charges in any way extending to the Undertaking of the Transferee Company.

3. On and from the Appointed Day all debts, liabilities, duties and obligations of the Transferor Company shall also be and shall stand transferred without any further act or deed to the Transferee Company pursuant to the provisions of Section 394 and/or any other applicable provisions of the said Act so as to become the debts, liabilities, duties and obligations of the Transferee Company.

4. As the amalgamation is effected as on and from 1st July, 1979, the Appointed Day, the Transferor Company shall be deemed to have carried on its business and activities on and from

the Appointed Day for and on behalf of and for the benefit and on account of the Transferee Company. All profits accruing or losses arising or incurred by or in the business of the Transferor Company as and from the Appointed Day shall for all purposes be and shall be treated as profits or losses as the case may be of the Transferee Company. As such, the Transferor Company shall carry on its business and activities on and from the Appointed Day as economically and efficiently as possible and with utmost prudence and without creating any charge on or making any alienation of or otherwise dealing with its undertaking or any part thereof except in the ordinary course of business.

5. Subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect without any further concurrence of any other party or parties thereto shall remain in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, deputation of one or more observers, appointment, reappointment, remuneration and change of wholtime Chairman, Managing Director, whole-time Director/Manager, Key Officials, declaration and/or payment of dividend, raising borrowing and/or redeeming of loans, credits and investments, contribution to charitable and other funds and appointment of agents or distributors contained in the Agreements with or correspondence exchanged between the Transferor Company and the banks and/or financial institutions shall be waived and/or modified by the banks and financial institutions to the mutual satisfaction of all the parties concerned.

6. All proceedings if any by or against the Transferor Company relating to its undertaking, liabilities, obligations and duties pending on and after the Appointed Day shall be continued and enforced by or against the Transferee Company as the case may be.

7. (a) As at 1st July, 1979, the Appointed Day, the Authorised Capital of the Transferor Company is Rs.2,50,00,000/- divided into 2,50,000 Equity Shares of Rs.100/- each. The Issued, Subscribed and Paid-up capital is Rs.1,52,00,000/- divided into 1,52,000 Equity Shares of Rs.100/- each fully paid-up.

(b) As at 1st July, 1979, the Appointed Day, the Authorised Capital of the Transferee Company is Rs.10,00,00,000/- divided into 10,00,000 Shares of Rs.100/- each. The Issued, Subscribed and Paid-up capital is Rs.6,23,37,600/- divided into 6,23,376 Equity Shares of Rs.100/- each fully paid-up.

8. The Transferee Company will with effect from the Appointed Day take over all such employees of the Transferor Company, as are willing to join the Transferee Company as far as possible on the same terms and conditions not less favourable to them without any break or interruption of service.

9. (a) In consideration of the transfers under Clauses 2 and 3 hereof, every member of the Transferor Company holding Equity Shares in the Transferor Company and standing on the Register of Members of the Transferor Company on such date as the Board of Directors of the Transferee Company may determine shall in respect of Sixty Equity Shares of Rs.100/- each held by him in the equity share capital of the Transferor Company be entitled as of right to receive and the Transferee Company shall without further application make an allotment to him of Two Equity Shares in the Transferee Company of Rs.100/- each credited as fully paid-up and of Nine Redeemable mortgage Debentures in the Transferee Company of Rs.100/- each credited as fully paid-up, such Debentures carrying interest at 11% per annum.

(b) If any Member of the Transferor Company as a result of holding less than 60 Equity Shares or holding the number of shares which is not the exact multiple of 60, becomes entitled to whole of and/or any fraction of Equity Shares and/or of Debentures of the Transferee Company, no Fractional certificates shall be issued in respect of or representing Equity Shares and/or the Debentures of the Transferee Company but such Fractions shall be consolidated into whole Equity Shares or whole Debentures as the case may be and the Board of Directors of the Transferee Company may allot any one or more of such consolidated Share or Debenture to any person or persons (including one or more of themselves or one or more of the officers or employees of the Transferee Company) as the Board of Directors may in their absolute discretion select for the purpose of holding and selling all or any of such consolidated Equity Shares and/or Debentures resulting from consolidation provided that the Board of Directors may without making any allotment of all or some of such Equity Shares and/or Debentures resulting from such consolidation may direct the sale of any or all of such new Equity Shares and/or Debentures. Every such sale shall be at such price or prices as may be approved by the Board of Directors and upon receipt of the purchase price in respect of such sale, provided the Board of Directors approve of the purchaser, the Board shall allot the Equity Shares and/or Debentures to the approved purchasers. The aggregate sale proceeds of all such Equity Shares and/or Debentures left over after defraying therefrom all costs, charges and expenses of sale or sales, shall be distributed and divided among the such Members as would otherwise have been entitled to such fraction or new Equity Shares and/or Debentures of the Transferee Company in proportion to their respective interest in such fractions.

9. (c) (i) Equity Shares so allotted by the Transferee Company to the Members of the Transferor Company will in all respects rank pari passu with the existing Equity Shares of the Transferee Company for dividend and voting rights save and except that the holders of such Equity Shares shall only be entitled to dividend if any to be declared by the Transferee Company for the Accounting year ending 31st August, 1979 proportionate to the period commencing from 1st July, 1979 (the Appointed Day) and ending on 31st August, 1979.

9. (c) (ii) The debentures so allotted by the Transferee Company shall, Inter-alia, be subject to the following conditions:

(ii) (a) The Debentures shall be secured by a Mortgage on pari passu with mortgage to be credited thereon in favour of the Central Bank of India and Union Bank of India on the immoveable properties (including fixed assets) of the Transferor Company subject to the existing mortgages created by the Transferor Company in favour of the Industrial Finance Corporation of India, and the charges to be created in favour of the said Banks to the extent of actual disbursement under the term loan aggregating Rs.40 lakhs provided that the securities for the Debentures shall be restricted to and shall not extend beyond the immoveable properties and fixed assets acquired by or accrued to the Transferor Company upto the Appointed Day. Such immoveable properties (including the fixed assets) of the Transferor Company shall not become a part of the securities for the existing debentures of the Transferee Company and the necessary consent in this behalf of the Trustees under the respective Debentures Trust Deeds executed by the Transferee Company shall be obtained. (As modified at the Meeting held on 18th March, 1980).

(ii) (b) The Debentures shall carry interest at 11% per annum with effect from the Appointed Day which shall be paid half-yearly on each 30th June and 31st December, so, however, that no interest shall become payable unless the Scheme is sanctioned and/or approved as envisaged herein.

(ii) (c) The Debentures shall be redeemed by drawing lots in 5 equal annual instalments beginning from 1st July, 1987.

(ii) (d) The Investment Corporation of India Ltd., who are the Trustees of the existing Debentures of the Transferee Company shall also act as the Trustees for the holders of these Debentures and the Board of Directors of the Transferee Company are hereby authorised to create in favour of the said Trustees the security in respect of these Debentures as stated herein and to execute a Debenture Trust Deed containing such terms and conditions as the Board of Directors of the Transferee Company shall deem fit.

(ii) (e) In the event any Debentureholder desires to sell the Debentures to the Company, the Board of Directors of the Transferee Company are hereby authorised to exercise the option to redeem such Debentures prior to the specified period of redemption at or around the prevailing market price thereof but not exceeding a premium of Rs.2/- per Debenture, and keep the Debentures so redeemed alive for the purpose of re-issue or to utilise the same for raising additional finance by pledging as collateral security.

(ii) (f) The rights, privileges and conditions, for the time being attached to the said Debentures may be varied, modified or abrogated in accordance with the provisions of the Articles of Association of the Transferee Company and of the Companies Act, 1956, subject to the consent in writing of the Trustees for the Debentureholders.

(ii) (g) The Debentures shall also be subject to other terms and conditions to be incorporated in the Certificate of Debentures that will be issued to the allottees and to the terms and conditions to be contained in the proposed Trust Deed.

9. (d) All Members of the Transferor Company whose names stand on the Register of Members of the Transferor Company on the date referred to in sub-clause (a) hereinabove shall surrender to the Transferee Company for cancellation of their share certificate(s) in respect of the Equity Shares held by them in the Transferor Company and the Transferee Company shall thereupon issue to them certificate(s) for Equity Shares as well as the Debentures in the Transferee Company to which they may be entitled in terms of the Scheme. Without prejudice to the foregoing, upon the new Equity Shares and the new Debentures being issued, and allotted by the Transferee Company to the members standing on the Register of Members of the Transferor Company on the aforesaid date or to the Trustees referred to in para 9(c)(ii)(d) above, as the case may be, the Share Certificate in respect of the shares held by them in the Transferor Company shall be deemed to be and stand cancelled.

10. For giving effect to the Scheme, the Transferee Company shall in due course pass the requisite Resolution under Sections 81, 94 and 149 and other applicable provisions of the said Act.

11. This Scheme is conditional on/and subject to:

(a) The requisite sanction or approval, if any, of the Controller of Capital Issues under the Capital Issues Control Act, 1947, of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973, of the relevant authorities under the Monopolies & Restrictive Trade Practices Act, 1969, if applicable,

of the Specified Authority under Section 72A of the Income-tax Act, 1961, and of any other appropriate authorities concerned being obtained and granted in the matter/s in respect of which such sanction/s or approval shall be required.

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

12. In the event of the requisite sanctions and approvals for any reason not being obtained and granted or in the event of the Scheme not being sanctioned by the Court/s and the order or orders not being passed by it/them before the 31st December 1979 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors, this Scheme shall become null and void.

13. Upon the Scheme being sanctioned by the High Court the Transferor Company shall stand dissolved without winding up on such date as the Court may determine.

14. The Transferor Company by its Directors and the Transferee Company by its Directors may consent on behalf of all persons concerned to any modification or amendment to this Scheme or to any condition which the Court or any other authority may think fit to impose or which may otherwise be considered necessary or expedient.

15. For the purpose of giving effect to this Scheme the Directors of the Transferee Company are authorised to give such directions as may be necessary or desirable and to settle, as they think fit, any questions, doubt or difficulty that may arise in connection with or in the working of the Scheme including with regard to the issue and allotment of shares as well as Debentures under Clause 9 hereof to the members of the Transferor Company and to do all acts, deeds and things necessary for carrying into effect this Scheme.



CERTIFIED TO BE A TRUE COPY
This 23rd day of July, 1980.

Sd/- Y.M. KAZI

For Prothonotary and Senior Master.

High Court

ORDINARY ORIGINAL CIVIL JURISDICTION
Company Petition No. 184 of 1980 Connected with
Company Application No.42 of 1980.
In the matter of the Companies Act, 1956;

And

In the matter of Scheme of Amalgamation of
The National Electrical Industries Ltd., with Voltas Limited
The National Electrical Industries Ltd. Petitioner.

CERTIFIED COPY OF
ORDER SANCTIONING SCHEME OF
AMALGAMATION

Dated this 3rd day of July, 1980.

Filed this 23rd day of July, 1980.

Applied on 5-7-80
Engrossed on 23-7-80
Section writer Sd/-
Folios 50
Examined by Sd/-
Compared with Sd/-
Ready on 23-7-80
Delivered on

Messrs. Mulla & Mulla and
Craigie, Blunt & Caroe., Advo-
cate for the Petitioner, Jehangir
Wadia Bldg., 51, Mahatma
Gandhi Road, Bombay-400 023.

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

Company Petition No.184 of 1980.

Connected with

Company Application No.42 of 1980.

Coram; Mody J.
3rd July, 1980.

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

And

In the matter of the National
Electrical Industries Limited;

And

In the matter of Scheme of
Amalgamation of The National
Electrical Industries Limited
with Voltas Limited;

The National Electrical Industries Limited, a Company incorporated under the Indian Companies Act, VII of 1913, and having its Registered Office at Industrial Estates, Lalbaug, Bombay-400 012.

.. .. . Petitioners.

UPON the Petition of The National Electrical Industries Limited, the Petitioner Company abovementioned (hereinafter referred to as "the Transferor Company") presented to this Hon'ble Court on the 8th day of April 1980 for sanction of an Arrangement embodied in the Scheme of Amalgamation of The Transferor Company with Voltas Limited (hereinafter referred to as "the Transferee Company") and for other consequential reliefs as in the Petition mentioned AND the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Smt. Ratan Yogesh Kapadia the Secretary of the Transferor Company dated the 8th day of April 1980, verifying the said Petition AND UPON READING the Affidavit of the said Smt. Ratan Yogesh Kapadia dated the 11th day of June 1980, showing the publication of the Notice of the date of hearing of the said Petition and proving service of the said Petition upon

the creditors of the Transferor Company in the sum of Rs.50,000 (Rupees Fifty thousand only) as directed by the Order herein dated the 28th day of April 1980 AND UPON READING the Order dated the 7th day of February 1980 made by this Hon'ble Court in Company Application No.42 of 1980 whereby the Transferor Company was ordered to convene separate meetings of the 10% (subject to deduction of tax) Cumulative Redeemable Preference Shareholders and the Equity Shareholders of the Transferor Company for the purpose of considering and if thought fit approving with or without modification the Arrangement embodied in the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company and annexed as Exhibit "B" to the Affidavit of Smt. Ratan Yogesh Kapadia dated the 25th day of January 1980 in support of the said Company Application and UPON PERUSING the issue of the Maharashtra Government Gazette dated the 21st day of February 1980 and the issues of Times of India dated the 19th day of February 1980, Bombay Samachar dated the 19th day of February 1980 and Lok-Satta dated 19th day of February 1980, each containing the advertisement of the said notices convening the said Meeting directed to be held by the said Order dated the 7th day of February 1980 AND UPON READING the Affidavit of the said Smt. Ratan Yogesh Kapadia, dated the 10th day of March 1980, showing the publication and dispatch of notices convening the said Meetings AND UPON READING the two Reports both dated the 28th day of March 1980 of Subramania Iyer Swayambu, the Chairman of the Meetings of the 10% Cumulative Redeemable Preference Shareholders and Equity Shareholders of the Transferor Company as to the result of the said Meeting AND UPON HEARING Shri. I.M. Chagla, Advocate for the Transferor Company and Shri. A.M. Shah, Advocate for the Regional Director, Company Law Board, Bombay, on behalf of the Central Government, who appears in pursuance of the Notice herein dated the 8th day of May 1980 under Section 394-A of the Companies Act, 1956, and states that the Central Government desires to file no representations and submits to the orders of this Hon'ble Court AND IT APPEARING from the said Reports of the Chairman of the said Meetings that the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company has been approved by a majority of not less than three-fourths in value of the said 10% Cumulative Redeemable Preference Shareholders and the Equity Shareholders of the Transferor Company present and voting in person or by proxy AND UPON HEARING Shri Singhal, Assistant Official Liquidator attached to this Hon'ble Court, who applies for time to make and file the Report under the second proviso to Section 394(2) of the Companies Act, 1956, And no person entitled to appear at the hearing of the said Petition appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOETH HEREBY SANCTION the Arrangement embodied in the Scheme of Amalgamation of The National Electrical Industries Limited, the Transferor Company

with Voltas Limited, the Transferee Company set forth in Exhibit "C" to the said Petition and also in the Schedule annexed hereto AND DOTH HEREBY DECLARE the same to be binding on the 10% Cumulative Redeemable Preference Shareholders and the Equity Shareholders of the Transferor Company and on the Equity Shareholders of the Transferee Company and also on the Transferor Company and the Transferee Company AND THIS COURT DOTH ORDER that as and from the 1st day of July 1979 (hereinafter and in the Scheme of Amalgamation Sanctioned hereto referred to as "the Appointed Day") the entire business and undertaking of the Transferor Company including all its properties, moveable and other assets of whatsoever nature, including industrial and other licences and quota, rights, trade marks and other industrial property rights, leases and tenancy rights, if any, benefits of all agreements and all other interests, rights or powers of every kind, nature and description whatsoever (all such business undertaking, properties, assets, rights and powers collectively referred to in the Scheme of Amalgamation sanctioned herein as "the Undertaking") be transferred without further act or deed to the Transferee Company and the same shall pursuant to Section 394 (2) of the Companies Act, 1956, be transferred to and do vest in the Transferee Company free from all estate and interest of the Transferor Company therein, but subject nevertheless to all charges now affecting the same AND THIS COURT DOTH FURTHER ORDER that as on and from the Appointed Day all debts, liabilities duties and obligations 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 do become duties, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH DECLARE that the Transferor Company shall be deemed to have carried on its business and activities on and from the Appointed Day for and on behalf of and for the benefits and on account of the Transferee Company and all profits accruing or losses arising or incurred by or in the business of the Transferor Company as and from the Appointed Day shall for all purposes be and shall be treated as profits or losses as the case may be of the Transferee Company and as such the Transferor Company shall carry on its business and activities on and from the Appointed Day as economically and efficiently as possible and with utmost prudence and without creating any charge on or making any alienation of or otherwise dealing with its undertaking or any part thereof except in the ordinary course of business AND THIS COURT DOTH FURTHER ORDER the subject to the provisions of the Scheme of Amalgamation sanctioned herein, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect without any further concurrence of any other party or parties thereto shall remain in full force and effect against or in favour of the Transferee Company as the case may be enforced as

fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, deputation of one or more observers, appointment, reappointment, remuneration and charge of wholetime Chairman, Managing Director, wholetime Director/Manager, Key Officials, declaration and/or payment of dividends, raising borrowing and/or redeeming of loans credits and investments, contribution to charitable and other funds and appointment of agents or distributors contained in the Agreements with or correspondence exchanged between the Transferor Company and the banks and/or Financial Institutions shall be waived and/or modified by the Banks and Financial Institutions to the mutual satisfaction of all the parties concerned AND THIS COURT DOTH FURTHER ORDER that all proceedings if any by or against the Transferor Company relating to its undertaking, liabilities obligations and duties pending on and after the Appointed Day shall be continued and enforced by or against the Transferee Company as the case may be AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do with effect from the Appointed Day take over all such employees of the Transferor Company as are willing to join the Transferee Company as far as possible on such terms and conditions not less favourable to them without any break or interruption of service AND THIS COURT DOTH FURTHER ORDER that in consideration of the transfers herein, the Transferee Company do without further application issue and allot to the members of the Transferor Company, the shares in the and the debentures of the Transferee Company to which they are entitled to under the Scheme of Amalgamation sanctioned herein and set forth in the Schedule annexed hereto AND THIS COURT DOTH FURTHER ORDER that the hearing of the said Petition be and it is hereby adjourned to the 21st day of August 1980 for Orders on prayer(1) for the dissolution of the Transferor Company without winding up AND THIS COURT DOTH FURTHER ORDER that the Transferor Company do within thirty days after the date of sealing of this Order cause a certified copy of this Order to be delivered to the Registrar of Companies, Maharashtra, Bombay for registration, AND THIS COURT DOTH FURTHER ORDER that the Parties to the Scheme of Amalgamation sanctioned herein or any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein or in the above matter AND THIS COURT DOTH LASTLY ORDER that the Transferor Company do pay the sum of Rs.300/- (Rupees three hundred only) to the Regional Director, Company Law Board, Bombay, as costs of the

said Petition, WITNESS SHRI BALKRISHNA NARHAR DESHMUKH, Chief Justice at Bombay aforesaid, this 3rd day of July, 1980.

By the Court,
Sd/- I.S. MECWAN
For Prothonotary & Senior Master.

SEAL
Sd/- Y.M. KAZI

SEALER
This 23rd day of July, 1980.

Order Sanctioning the Scheme of Amalgamation under Section 391 of the Companies Act, 1956, drawn on this 22nd day of July 1980.

SCHEDULE

High Court

ORDINARY ORIGINAL CIVIL JURISDICTION

Company Petition No. 185 of 1980 Connected with
Company Application No. 43 of 1980.

In the matter of the Companies Act, 1956;

And

In the matter of the Scheme of Amalgamation of
The National Electrical Industries Ltd., with Voltas Limited

Voltas Limited Petitioner

CERTIFIED COPY OF

ORDER SANCTIONING SCHEME OF
AMALGAMATION

Dated this 3rd day of July, 1980.

Filed this 23rd day of July, 1980.

Applied on 5-7-80
Engrossed on 23-7-80
Section writer Sd/-
Folios 50
Examined by Sd/-
Compared with Sd/-
Ready on 23-7-80
Delivered on

Messrs. Mulla & Mulla and Craigie,
Blunt & Caroe., Advocate for the
Petitioner, Jehangir Wadia Bldg.,
51, Mahatma Gandhi Road,
Bombay-400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 185 OF 1980

Connected with
COMPANY APPLICATION NO. 43 OF 1980

Coram; Mody J.
3rd July, 1980.

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

And

In the matter of Voltas Limited.

And

In the matter of Petition of
Scheme of Amalgamation of the
National Electrical Industries
Limited with Voltas Limited.,

Voltas Limited, a Company
incorporated under the Indian
Companies Act, 1913, and having
its Registered Office at 19,
J.N. Heredia Marg, Ballard
Estate, Bombay - 400 038.

.. ..

Petitioner.

UPON the Petition of Voltas Limited, the Petitioner Company abovenamed (hereinafter referred to as "the Transferee Company") presented to this Hon'ble Court on the 14th day of April 1980 for sanction of an Arrangement embodied in the Scheme of Amalgamation of The National Electrical Industries Limited (hereinafter referred to as "the Transferor Company") with the Transferee Company and for other consequence reliefs as in the petition mentioned AND the said petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Venilal Mohanlal Parekh, the Secretary of the Transferee Company, dated the 14th day of April 1980, verifying the said Petition AND UPON READING the Affidavit of the said Venilal Mohnlal Parekh dated the 9th day of June 1980, showing the publication of the Notice of the date of hearing of the said Petition and proving service of the said Petition upon the creditors of the Transferee Company for the sum of Rs.1,00,000/- (Rupees One Lakh only) as directed by the Order herein dated the 28th day of April 1980

AND UPON READING the Order dated the 7th day of February 1980 made by this Hon'ble Court in Company Application No.43 of 1980 whereby the Transferee Company was ordered to convene a Meeting of the Equity Shareholders of the Transferee Company for the purpose of considering and if thought fit approving with or without modification the Arrangement embodied in the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company and annexed as Exhibit "B" to the Affidavit of Venilal Mohanlal Parekh, dated the 25th day of January 1980 in support of the said Company Application AND UPON PERUSING the issue of the Maharashtra Government Gazette dated the 21st day of February 1980 and the issue of "Times of India" (Bombay Edition) dated the 21st day of February 1980. "Times of India" (Ahmedabad Edition) dated the 27th day of February, 1980 "Bombay Samachar" dated the 21st day of February, 1980 and "Lok Satta" dated the 21st day of February 1980, each containing the advertisement of the said notices convening the said Meeting directed to be held by the said Order dated the 7th day of February 1980 AND UPON READING the Affidavit of the said Venilal Mohanlal Parekh, dated the 13th day of March 1980, showing the publication and despatch of notices convening the said Meetings AND UPON READING the Report dated the 31st day of March 1980 of Akbar Hydari, the Chairman of the Meeting of the Equity Shareholders of the Transferee Company as to the result of the said Meeting AND UPON HEARING Shri K.S. Cooper (with Shri. F.P. Bharucha) Advocate for the Transferee Company and Shri. A.M. Shah, Advocate for the Regional Director, Company Law Board, Bombay, on behalf of the Central Government, who appears in pursuance of the Notice herein dated the 8th day of May 1980 under Section 394-A of the Companies Act, 1956, and states that the Central Government desires to file no representations and submits to the orders of this Hon'ble Court AND IT APPEARING from the said Report of the Chairman of the said Meeting that the proposed Scheme of Amalgamation of the Transferor Company with the Transferee Company has been approved by a Majority of not less than three-fourth in value of the Equity Shareholders of the Transferee Company present and voting in person or by proxy And no person entitled to appear at the hearing of the said Petition appearing this day either in support of the said petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Arrangement embodied in the Scheme of Amalgamation of the National Electrical Industries Limited, the Transferor Company with Voltas Limited, the Transferee Company set forth in Exhibit "C" to the said Petition and also in the Schedule annexed hereto AND DOTH HEREBY DECLARE the same to be binding on the 10% Preference Cumulative Redeemable Preference Shareholders and the Equity Shareholders of the Transferor and the Equity Shareholders of the Transferee Company and also on the Transferor Company and the Transferee Company AND THIS COURT DOTH ORDER that as and from the 1st day of July 1979 (hereinafter and in the Scheme of

Amalgamation Sanctioned hereto referred to as "the Appointed Day") the entire business and undertaking of the Transferor Company including all its properties, moveable and other assets of whatsoever nature, including industrial and other licences and quota rights, trade marks and other industrial property rights, leases and tenancy rights, if any, benefits of all agreements and all other interests, rights or powers of every kind, nature and description whatsoever (all such business undertaking, properties, assets, rights and powers collectively referred to in the Scheme of Amalgamation sanctioned herein as "the Undertaking") be transferred without further act or deed to the Transferee Company and the same shall pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and do vest in the Transferee Company free from all estate and interest of the Transferor Company therein, but subject nevertheless to all charges now affecting the same AND THIS COURT DOTH FURTHER ORDER that as on and from the Appointed Day all debts, liabilities, duties and obligations 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 do become debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH DECLARE that the Transferor Company shall be deemed to have carried on its business and activities on and from the Appointed Day for and on behalf of and for the benefit and on account of the Transferee Company and all profits accruing or losses arising or incurred by or in the business of the Transferor Company as and from the Appointed Day shall for the purposes be and shall be treated as profits or losses as the case may be of the Transferee Company and as such the Transferor Company shall carry on its business and activities on and from the Appointed Day as economically and efficiently as possible and with utmost prudence and without creating any charge on or making any alienation of or otherwise dealing with its undertaking or any part thereof except in the ordinary course of business AND THIS COURT DOTH FURTHER ORDER that subject to the provisions of the Scheme of Amalgamation sanctioned herein, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect without any further concurrence of any other party or parties thereto shall remain in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, deputation of one or more observers, appointment, reappointment, remuneration and change of wholetime Chairman, Managing Director, wholetime Director/Manager, Key Officials, declaration and/or payment of dividends, raising borrowing and/or redeeming of loans credits and investments, contribution to charitable and other funds

and appointment of agents or distributors contained in the Agreements with or correspondence exchanged between the Transferor Company and the banks and/or Financial Institutions shall be waived and/or modified by the Banks and Financial Institutions to the mutual satisfaction of all the parties concerned AND THIS COURT DOTH FURTHER ORDER that all proceedings if any by or against the Transferor Company relating to its undertaking, liabilities, obligations and duties pending on and after the Appointed Day shall be continued and enforced by or against the Transferee Company as the case may be AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do with effect from the Appointed Day take over all such employees of the Transferor Company as are willing to join the Transferee Company as far as possible on such terms and conditions not less favourable to them without any break or interruption of service AND THIS COURT DOTH FURTHER ORDER that in consideration of the transfers herein, the Transferee Company do without further application issue and allot to the members of the Transferor Company, the shares and the Debentures of the Transferee Company to which they are entitled to under the Scheme of Amalgamation sanctioned herein and set forth in the Schedule annexed hereto AND THIS COURT DOTH FURTHER ORDER that the Transferee Company do within thirty days after the date of sealing of this Order, cause a certified copy thereof to be delivered to the Registrar of Companies, Maharashtra, Bombay for registration and on the certified copy of the Order for dissolution of the Transferor Company being delivered for registration, the Registrar of Companies, Maharashtra, Bombay, shall place all documents relating to the Transferor Company and registered with him on the file kept by him in relating to the Transferee Company and the file relating to the said two Companies shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the parties of the Scheme of Amalgamation sanctioned herein or any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein or in the above matter AND THIS COURT DOTH LASTLY ORDER that the Transferee Company do pay the sum of Rs.300/- (Rupees Three Hundred only) to the Regional Director, Company Law Board, Bombay, as costs of the said Petition, WITNESS SHRI BALKRISHNA NARHAR DESHMUKH, Chief Justice at Bombay aforesaid, this 3rd day of July, 1980.

By the Court
Sd/- I.S MECWAN
For Prothonotary & Senior Master.

Seal

Sd/- Y.M. KAZI

Sealer

This 23rd day of July 1980.

Order sanctioning the Scheme of Amalgamation under Sections 391 and 394 of the Companies Act, 1956, drawn on this 22nd day of July 1980.

SCHEDULE

SCHEDULE REFERRED TO HEREINABOVE
SCHEME OF AMALGAMATION
OF
THE NATIONAL ELECTRICAL INDUSTRIES LIMITED
WITH
VOLTAS LIMITED

This Scheme of Amalgamation is effective as from 1st July, 1979, which date is hereinafter referred to as "the Appointed Day."

2. On and from 1st July, 1979 being the date on which the amalgamation is effected (hereinafter called "the Appointed Day") the entire business and undertaking of The National Electrical Industries Limited, a public company having its Registered Office at Industrial Estates, Lalbaug, Bombay 400 012, (hereinafter referred to as "the Transferor Company") including all its properties, moveable and other assets of whatsoever nature, including industrial and other licences and quota rights, trade marks and other industrial property rights, leases and tenancy rights, if any, benefits of all agreements and all other interests, rights or powers of every kind, nature and description whatsoever (all such business undertaking, properties, assets, rights and powers are hereinafter collectively for the sake of brevity referred to "as Undertaking") shall, without any further act, or deed, be and the same shall stand transferred to and vested in and be deemed to have been transferred to and vested in Voltas Limited, a public company having its Registered Office at 19, J.N. Heredia Marg, Ballard Estate, Bombay-400 038, (hereinafter referred to as "the Transferee Company") pursuant to the provisions of Section 394 and/or any other applicable provisions of the Companies Act, 1956 (hereinafter referred to as "the said Act") for all the estate and interest of the Transferor Company subject to charge if any then affecting the Undertaking of the Transferor Company without such charges in any way extending to the Undertaking of the Transferee Company.

3. On and from the Appointed Day all debts, liabilities, duties and obligations of the Transferor Company shall also be and shall stand transferred without any further act or deed to the Transferee Company pursuant to the provisions of Section 394 and/or any other applicable provisions of the said Act so as to become the debts, liabilities, duties and obligations of the Transferee Company.

4. As the amalgamation is effected as on and from 1st July, 1979, the Appointed Day, the Transferor Company shall be

deemed to have carried on its business and activities on and from the Appointed Day for and on behalf of and for the benefit and on account of the Transferee Company. All profits accruing or losses arising or incurred by or in the business of the Transferor Company as and from the Appointed Day shall for all purposes be and shall be treated as profits or losses as the case may be of the Transferee Company. As such, the transferor Company shall carry on its business and activities on and from the Appointed Day as economically and efficiently as possible and with utmost prudence and without creating any charge on or making any alienation of or otherwise dealing with its undertaking or any part thereof except in the ordinary course of business.

5. Subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect without any further concurrence of any other party or parties thereto shall remain in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, deputation of one or more observers, appointment, reappointment, remuneration and change of wholetime Chairman, Managing Director whole-time Director/Manager, Key Officials, declaration and/or payment of dividends, raising borrowing and/or redeeming of loans credits and investments, contribution to charitable and other funds, and appointment of agents or distributor contained in the Agreements with or correspondence exchanged between the Transferor Company and the banks and/or Financial Institutions shall be waived and/or modified by the Banks and Financial Institutions to the mutual satisfaction of all the parties concerned.

6. All proceedings if any by or against the Transferor Company relating to its undertaking, liabilities, obligations and duties pending on and after the Appointed Day shall be continued and enforced by or against the Transferee Company as the case may be.

7. (a) As at 1st July, 1979, the Appointed Day, the Authorised Capital of the Transferor Company is Rs.1,50,00,000/- divided into 40,000 Preference Shares of Rs.100/- each. 1,60,000 Equity Shares of Rs.50/- each unclassified Shares of Rs. 30,00,000/-. As at the said date, the Issued, Subscribed and Paid-up Preference Capital is Rs.16,26,000/- divided into 16,260 Preference Shares of Rs.100/- each. As at the said date, the Issued Equity Capital is Rs.27,99,750/- divided into 55,995 Equity Shares of Rs.50/- each. The Subscribed and Paid-up capital is Rs.27,90,900/- divided into 55,818 Equity Shares of Rs.50/- each.

7. (b) As at 1st July, 1979, the Appointed Day, the Authorised Capital of Transferee Company is Rs.10,00,00,000/- divided into 10,00,000 Shares of Rs.100/- each. Issued, Subscribed and Paid-up capital is Rs.6,23,37,600/- divided into 6,23,376/- Equity Shares of Rs.100/- each fully paid-up.

8. The Transferee Company will with effect from the Appointed Day take over all such employees of the Transferor Company, as are willing to join the Transferee Company as far as possible on such terms and conditions not less favourable to them without any break of interruption of service.

9. (a) In consideration of the transfers under Clauses 2 and 3 hereof, every member of the Transferor Company holding Preference /Equity Shares in the Transferor Company and standing on the Register of Members of the Transferor Company on such date as the Board of Directors of the Transferee Company may determine shall be allotted Equity Shares and Redeemable Mortgage Debenture in the following proportions viz., in respect of Thirty Preference Shares of Rs.100/- each held by him in the Preference Shares Capital of the Transferor Company be entitled as of right to receive and the Transferee Company shall without further application make an allotment to him of Twenty Equity Shares in the Transferee Company of Rs.10/- each (new series of B class Equity Shares of Rs.10/- each), credited as fully paid-up and Fifteen Redeemable Debentures in the Transferee Company of Rs.100/- each credited as fully paid up, such Debentures carrying interest at 11% per annum and in respect of Two Hundred Forty Equity Shares of Rs.50/- each held by him in the Equity Share Capital of the Transferor Company be entitled as of right to receive and the Transferee Company shall without further application make an allotment to him of Twenty Equity Shares in the Transferee Company of Rs.10/- each (new series of B Class Equity Shares of Rs.10/- each), credited as fully paid-up and Nine Redeemable Debentures in the Transferee Company of Rs.100/- each credited as fully paid-up, such Debentures carrying interest at 11% per annum.

9. (b) If any Member of the Transferor Company as a result of holding less than 240 Equity Shares or 30 Preference Shares or holding the number of shares which is not the exact multiple of 240 Equity Shares or 30 Preference Shares become entitled to whole of and/or any fraction of Equity Shares and/or of Debentures, of the Transferee Company, no fractional certificates shall be issued in respect of or representing Equity Shares and/or the Debentures of the Transferee Company but such fractions shall be consolidated into whole Equity Shares or whole Debentures as the case may be and the Board of Directors of the Transferee Company may allot any one or more of such consolidated share or Debenture to any person or persons (including one

or more themselves or one or more of the officers or employees of the Transferee Company) as the Board of Directors may in their absolute discretion select for the purpose of holding and selling all or any of such consolidated Equity Shares and/or Debentures resulting from such consolidation provided that the Board of Directors may without making any allotment of all or some of such Equity Shares and/or Debentures resulting from such consolidation may direct the sale of any or all of such new Equity Shares and/or Debentures. Every such sale shall be at such price or prices as may be approved by the Board of Directors and upon receipt of the purchase price in respect of such sale, provided the Board of Directors approve of the purchaser, the Board shall allot the Equity Shares and/or Debentures to the approved purchasers. The aggregate sale proceeds of all such Equity Shares and/or Debentures left over after defraying therefrom all costs, charges and expenses of sale or sales, shall be distributed and divided among such Members as would otherwise have been entitled to such fraction or new Equity Shares and/or Debentures of the Transferee Company in proportion to their respective interest in such fractions.

9. (c) (i) Equity Shares so allotted by the Transferee Company to the members of the Transferor Company will in all respects rank *pari passu* with the existing Equity Shares of the Transferee Company for dividend and voting rights save and except that the holders of such Equity Shares shall only be entitled to dividend if any to be declared by the Transferee Company for the Accounting year ending 31st August, 1979 proportionate to the period commencing from 1st July, 1979 (the Appointed Day) and ending on 31st August, 1979.

9. (c) (ii) The Debentures so allotted by the Transferee Company shall, *inter-alia*, be subject to the following conditions:

(ii) (a) The Debentures shall be secured by a Mortgage on the fixed assets of the Transferor Company subject only to the existing Mortgages created by the Transferor Company in favour of United Bank of India and the Industrial Credit and Investment Corporation of India provided that the security shall not extend beyond the property and assets acquired by or accrued upto the Appointed Day. Fixed Assets of the Transferor Company shall not become a part of the security for the existing Debentures of the Transferee Company, and the necessary consent in this behalf of the Trustees under the respective Debenture Trust Deed executed by the Transferee Company shall be obtained.

(ii) (b) The Debentures shall carry interest at 11% per annum with effect from the Appointed Day which shall be paid half-yearly on each 30th June and 31st December, so however, that no interest shall become payable unless the scheme is sanctioned and/or approved as envisaged herein.

(ii) (c) Debentures shall be redeemed by drawing lots in 5 equal annual instalments beginning from 1st July, 1987.

(ii) (d) The Investment Corporation of India Ltd., who are the Trustees of the existing Debentures of the Transferee Company shall also act as the Trustees for the holders of these Debentures and the Board of Directors of the Transferee Company are hereby authorised to create in favour of the said Trustee the security in respect of these Debentures as stated herein and to execute a Debenture Trust Deed containing such terms and conditions as the Board of Directors of the Transferee Company shall deem fit.

(ii) (e) In the event any Debentureholder desires to sell the Debentures to the Company, the Board of Directors of the Transferee Company are hereby authorised to exercise the option to redeem such Debentures prior to the specified period of redemption, at or around the prevailing market price thereof but not exceeding a premium of Rs.2/- per Debenture, and keep the Debentures so redeemed alive for the purpose of re-issue or to utilise the same for raising additional finance by pledging as collateral security.

(ii) (f) The rights, privileges and conditions for the time being attached to the said Debentures may be varied, modified or abrogated in accordance with the provisions of the Articles of Association of the Transferee Company and of the Companies Act, 1956, subject to the consent in writing of the Trustees for the Debentureholders.

(ii) (g) The Debentures shall also be subject to other terms and conditions to be incorporated in the Certificate of Debentures that will be issued to the allottees and to the terms and conditions to be contained in the proposed Trust Deed.

9. (d) All Members of the Transferor Company whose names stand on the Register of Members of the Transferor Company on the date referred to in sub-clause (a) hereinabove shall surrender to the Transferee Company for cancellation of their certificate(s) in respect of the Shares held by them in the Transferor Company and the Transferee Company shall thereupon issue to them certificate(s) for Equity Shares as well as the Debentures in the Transferee Company to which they may be entitled in terms of this Scheme. Without prejudice to the foregoing, upon the new Equity Shares and the new Debentures being issued, and allotted by the Transferee Company to the members standing on the Register of Members of the Transferor Company on the aforesaid date or to the Trustee referred to above, as the case may be, the Share Certificates in respect of the shares held by them in the Transferor Company shall be deemed to be and stand cancelled.

10. For giving effect to this scheme, the Transferee Company shall in due course pass the requisite Resolution under Sections 81, 94 and 149 and other applicable provisions of the said Act.

11. This Scheme is conditional on and subject to:

(a) The requisite sanction or approval, if any, of the Controller of Capital Issues under the Capital Issues Control Act, 1947, of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973, of the relevant authorities under the Monopolies and Restrictive Trade Practices Act, 1969, if applicable, of the Specified Authority under Section 72A of the Income-tax Act, 1961 and of any other appropriate authorities concerned being obtained and granted in the matter/s in respect of which such sanction/s or approval shall be required.

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

12. In the event of the requisite sanctions and approvals for any reason not being obtained and granted or in the event of the Scheme not being sanctioned by the Court and the order or orders not being passed by it before the 31st December 1979 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors this Scheme shall become null and void.

13. Upon the Scheme being sanctioned by the High Court the Transferor Company shall stand dissolved without winding up on such date as the Court may determine.

14. The Transferor Company by its Directors and the Transferee Company by its Directors may consent on behalf of all persons concerned to any modification or amendment to this Scheme or to any condition which the Court or any other authority may think fit to impose or which may otherwise be considered necessary or expedient.

15. For the purpose of giving effect to this Scheme the Directors of the Transferee Company are authorised to give such directions as may be necessary or desirable and to settle, as they think fit, any questions, doubt or difficulty that may arise in connection with or in the working of the Scheme including with

regard to the issue and allotment of Shares as well as Debentures under Clause 9 hereof to the members of the Transferor Company and to do all acts, deeds and things necessary for carrying into effect this Scheme.



CERTIFIED TO BE A TRUE COPY,
This 23rd day of July, 1980.

Sd/- Y.M. KAZI

For Prothonotary and Senior Master.

HIGH COURT

ORDINARY ORIGINAL CIVIL JURISDICTION

Company Petition No.182 of 1980.

Connected with

Company Application No.40 of 1980.

In the matter of the Companies Act, 1956;

And

In the matter of Tata-Merlin & Gerin Limited;

And

In the matter of Scheme of Amalgamation of
Tata-Merlin & Gerin Limited, with Voltas Limited.

Tata-Merlin & Gerin Ltd. Petitioner.

CERTIFIED COPY OF

**ORDER FOR DISSOLUTION OF THE
TRANSFEROR COMPANY WITHOUT
WINDING-UP**

Dated the 14th day of November,1980.

Filed this 29th day of November,1980.

Applied on 17-11-80

Typed on 29-11-80

Section-writer Sd/-

Folios 8

Examined by Sd/-

Compared with Sd/-

Ready for Court Fee 29-11-80

Ready for Delivery

Delivered on

Mulla & Mulla & Craigie Blunt & Caroe,
Advocates for the Petitioner,
Jehangir Wadia Building,
51, Mahatma Gandhi Road,
Fort, Bombay - 400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVL JURISDICTION
COMPANY PETITION NO.182 OF 1980
Connected with
COMPANY APPLICATION NO.40 OF 1980.

Coram: MODY J.
14th November 1980.

In the matter of the Companies
Act, 1956;

And

In the matter of Tata-Merlin &
Gerin Limited.

And

In the matter of the Scheme of
Amalgamation of Tata-Merlin &
Gerin Limited, with Voltas
Limited.

Tata-Merlin & Gerin Limited, a
Company incorporated under the
Companies Act I of 1956, and
having its Registered Office at
Raj Mahal, 84, Veer Nariman
Road, Bombay - 400 020.

.. .. . Petitioner.

UPON the Petition of Tata-Merlin & Gerin Limited, the Company abovenamed (hereinafter referred to as "the Transferor Company") presented to this Hon'ble Court on the 7th day of April 1980 for sanction of an Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with Voltas Limited (hereinafter referred to as "the Transferee Company") and for other consequential reliefs as in the Petition mentioned AND WHEREAS by the Order herein dated the 3rd day of July 1980, the Scheme of Amalgamation was sanctioned by this Hon'ble Court save and except the dissolution without winding-up of the Transferor Company until the Official Liquidator attached to this Hon'ble Court shall have made a Report under the Second Proviso to Section 394(1) of the Companies Act, 1956, AND UPON READING the said Order herein dated the 3rd day of July 1980, the said Petition and the Report dated the 24th day of October 1980 made under the Second Proviso to Section 394(1) of the Companies Act, 1956, by the Official Liquidator attached to this Hon'ble Court

that the affairs of Tata-Merlin & Gerin Limited, the Transferor Company, have not been conducted in a manner prejudicial to the interest of its members or public interest AND UPON HEARING Shri.S.N. Variava, Advocate for the Petitioner, THIS COURT DOTH ORDER that Tata-Merlin & Gerin Limited, the Transferor Company abovenamed be and the same is hereby dissolved without winding-up AND THIS COURT DOTH FURTHER ORDER that Tata-Merlin & Gerin Limited, the Transferor Company abovenamed, do within thirty days after the date of sealing of this Order cause a certified copy thereof to be delivered to the Registrar of Companies, Maharashtra, Bombay for registration and on such certified copy being so delivered, the said Tata-Merlin & Gerin Limited, the Transferor Company shall be dissolved without winding-up and the Registrar of Companies, Maharashtra, Bombay, shall place all the documents, relating to the said Tata-Merlin & Gerin Limited, the Transferor Company and registered with him on the file kept by him in relation to Voltas Limited, the Transferee Company and the files relating to the said two companies shall be consolidated accordingly, WITNESS SHRI BALKRISHNA NARHAR DESHMUKH Chief Justice at Bombay aforesaid, this 14th day of November, 1980.

By the Court,
Sd/- V.N. Kulkarni,
For Prothonotary & Senior Master.

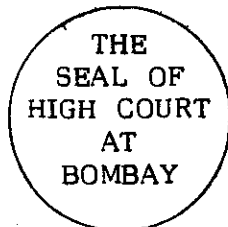
SEAL
Sd/- D. SAMUEL
SEALER

This 29th day of November, 1980.

Order for Dissolution without winding-up
of the Transferor Company, drawn on
25th day of November, 1980.

CERTIFIED TO BE A TRUE COPY,
This 2nd day of December, 1980.

Sd/- (illegible)
For Prothonotary and Senior Master.



HIGH COURT

ORDINARY ORIGINAL CIVIL JURISDICTION

Company Petition No.184 of 1980.

Connected with

Company Application No.42 of 1980.

In the matter of the Companies Act, 1956;

And

In the matter of The National Electrical Industries Limited,

And

In the matter of Scheme of Amalgamation of
The National Electrical Industries Ltd., with Voltas Ltd.

The National Electrical Industries ltd., Petitioner.

CERTIFIED COPY OF

ORDER FOR DISSOLUTION OF THE
TRANSFEROR COMPANY WITHOUT
WINDING-UP

Dated the 14th day of November,1980.

Filed this 29th day of November,1980.

Applied on 17-11-1980

Typed on 29-11-1980

Section-writer Sd/-

Folios 8

Examined by Sd/-

Compared with Sd/-

Ready for Court Fee 29-11-1980

Ready for Delivery

Delivered on

Mulla & Mulla & Craigie Blunt & Caroe,
Advocates for the Petitioner,
Jehangir Wadia Building,
51, Mahatma Gandhi Road,
Fort, Bombay - 400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 184 OF 1980
Connected with
COMPANY APPLICATION NO..42 OF 1980.

Coram; MODY J.
14th November 1980.

In the matter of Companies Act,
1956;

And

In the matter of The National
Electrical Industries Limited,

And

In the matter of Scheme of
Amalgamation of The National
Electrical Industries Ltd., with
Voltas Limited.

The National Electrical Industries Limited, a Company incorporated under the Indian Companies Act VII of 1913 and having its Registered Office at Industrial Estate, Lalbaug, Bombay - 400 012.

.. .. . Petitioner.

UPON the Petition of The National Electrical Industries Limited, the Petitioner abovenamed (hereinafter referred to as "the Transferor Company") presented to this Hon'ble Court on 8th day of April 1980 for sanction of an Arrangement embodied in the Scheme of Amalgamation of the Transferor Company with Voltas Limited (hereinafter referred to as "the Transferee Company") and for consequential reliefs as mentioned in the said Petition AND WHEREAS by the Order herein dated the 3rd day of July 1980, the Scheme of Amalgamation was sanctioned by this Hon'ble Court, save and except the dissolution without winding-up of the Transferor Company until the Official Liquidator attached to this Hon'ble Court shall have made a Report under the Second Proviso to Section 394(1) of the Companies Act, 1956, AND UPON READING the said Order herein dated the 3rd day of July 1980, the said

Petition and the Report dated the 24th day of October 1980, made under the Second proviso to Section 394(1) of the Companies Act, 1956, by the Official Liquidator attached to this Hon'ble Court that the affairs of The National Electrical Industries Ltd., the Transferor Company abovenamed have not been conducted in a manner prejudicial to the interest of its members or public interest AND UPON HEARING Shri S.N. Variava, Advocate for the Petitioner, THIS COURT DOTH ORDER that the said The National Electrical Industries Ltd., the Transferor Company abovenamed be and the same is hereby dissolved without winding-up AND THIS COURT DOTH FURTHER ORDER that The National Electrical Industries Ltd., the Transferor Company abovenamed do within thirty days of the date of sealing of this Order, cause a certified copy thereof to be delivered to the Registrar of Companies, Maharashtra, Bombay, for registration and on such certified copy being so delivered. The National Electrical Industries Ltd., the Transferor Company, shall be dissolved without winding up and the Registrar of Companies, Maharashtra, Bombay shall place all documents relating to The National Electrical Industries Ltd., the Transferor Company and registered with him on the file kept by him in relation to the Voltas Limited, the Transferee Company and the files relating to the said two companies shall be consolidated accordingly, WITNESS SHRI BALKRISHNA NARHAR DESHMUKH, Chief Justice at Bombay aforesaid, this 14th day of November 1980.

By the Court,
Sd/- V.N. KULKARNI
For Prothonotary & Senior Master.

SEAL
Sd/- D. SAMUEL

SEALER
29th November, 1980.

Order for dissolution without winding-up
of the Transferor Company, drawn on
25th day of November, 1980.

CERTIFIED TO BE A TRUE COPY,
This 2nd day of December, 1980.

Sd/- (illegible)
For Prothonotary & Senior Master.



BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION
SCHEME OF AMALGAMATION OF VOLRHO LTD. (VOLRHO) WITH
VOLTAS LTD. (VOLTAS)

Preliminary:

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings :

- i) 'The Transferor Company' means Volrho Ltd., (Volrho), a company incorporated under the Companies Act, 1956, whose Registered Office is situated at Room Nos. 417 & 418, 4th Floor, SWAPNALOK, 1-2-194 to 218, SAROJINI DEVI ROAD, SECUNDERABAD - 500 003 in the State of Andhra Pradesh.
- ii) 'The Transferee Company' means Voltas Ltd., (Voltas), a company incorporated under the Indian Companies Act, 1913 whose Registered Office is situated at 19, J.N. Heredia Marg, Ballard Estate, Bombay - 400 038, in the State of Maharashtra.
- iii) 'The Act; means the Sick Industrial Companies (Special Provisions) Act, 1985.
- iv) 'The BIFR' means the Board for Industrial and Financial Reconstruction constituted under Section 4 of the Sick Industrial Companies (Special provisions) Act, 1985.
- v) 'The Transfer Date' means March 1, 1989.
- vi) 'Volrho Shareholders' means the persons who are registered in the Register of Members of the Transferor Company as the holders of the issued equity capital of the Transferor Company as on such date (after the transfer date hereinbefore defined) as the Board of Directors of the Transferee Company may determine.
- vii) 'The Effective Date' means that date on which last of the approvals specified in Clause 13 of the Scheme are obtained.

(B) The Authorised Share Capital of the Transferor Company is Rs.5,00,00,000/- divided into 40,00,000 Equity Shares of Rs.10/- each and 1,00,000 Unclassified Shares of Rs.100/- each. The issued, subscribed and paid-up capital is Rs.3,99,02,560/- against 40,00,000 Equity Shares of Rs.10/- each fully called up.

(C) As on 1st March, 1989, the Transfer Date, the Authorised Share Capital of the Transferee Company is Rs.15,00,00,000/- divided into 14,98,000 Equity Shares of Rs.100/- each and 20,000 Equity Shares of 'B' series of Rs.10/- each. The issued, subscribed and paid-up capital is Rs.12,78,21,760/- divided into 12,76,453 Equity Shares of Rs.100/- each and 17,646 Equity Shares of 'B' Series of Rs.10/- each.

(D) 'The long-term debt' means the principal amount of the term loans from the financial institutions and banks (hereinafter defined) including 2500 14% Mortgage debentures of Rs.1,000/- each taken up by the Unit Trust of India (hereinafter referred to as 'UTI') aggregating to Rs. 11.00 crores and the interest on such loans and debentures upto February 28, 1989.

(E) 'The financial institutions and banks' means The Industrial Credit and Investment Corporation of India Limited (ICICI), Unit Trust of India (UTI), Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), Andhra Pradesh Industrial Development Corporation Ltd. (APIDC), Life Insurance Corporation of India (LIC), Allahabad Bank, Canara Bank and Banque Nationale de Paris.

THE SCHEME

1. The undertaking of the Transferor Company shall with effect from the Transfer Date and without any further act or deed be deemed to have been transferred to and vested in the Transferee Company pursuant to an order to that effect by the BIFR for all the estate and interest of the Transferor Company but subject nevertheless to all charges, if any, then affecting the same or any part thereof and on the Transfer Date, the Transferor Company shall be deemed to have been amalgamated with the Transferee Company.
2. a) For the purpose of this Scheme, the undertaking of the Transferor Company shall include :
 - i) All the properties of the Transferor Company as on Transfer Date.
 - ii) All the liabilities of the Transferor Company as on Transfer Date.
- b) Without prejudice to the generality of Sub-Clause(s) hereof, the undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all properties movable or immovable, real corporeal or incorporeal in possession or reversion,

present or contingent of whatsoever nature and where-soever situate including in particular all licences and liberties, patents, trade marks and import quotas held by the Transferor Company or to which the Transferor Company is entitled and all debts, liabilities and duties of the Transferor Company and all other obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment. PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and save as hereinafter provided the Transferee Company shall not be obliged to create any further or additional security therefore after the amalgamation has become effective or otherwise.

3. If any suit, appeal or other proceedings of whatever nature (hereinafter called 'the proceedings') by or against the Transferor Company be pending the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as the would or might have been continued, prosecuted and enforced by or against the Transferor Company if this scheme had not been made.
4.
 - a) The Transfer and vesting of the property and liabilities under Clauses 1 and 2 hereof and the continuance of the proceedings by the Transferee Company under Clause 3 hereof shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the transfer date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done lawfully and executed by the Transferor Company.
 - b) As from the transfer date the Transferor Company shall be deemed to have carried on and to be carrying on its business on behalf of and on account of and in trust for the Transferee Company until such time as the amalgamation becomes effective in terms of this Scheme.
 - c) As from the transfer date the Transferor Company shall carry on business of the Transferor Company until the amalgamation becomes effective with almost prudence and shall not without the concurrence of the Transferee Company alienate charge or otherwise deal with the

property or assets of the Transferor Company or any part thereof except in the ordinary course of business.

5. Subject to the other provisions contained in this Scheme all lawful contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and as effectively as if instead of the Transferor Company the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, deputation of one or more observers, appointment, reappointment, remuneration and change of Wholetime Chairman, Managing Director, Wholetime Director/Manager, Key Officials, declaration and/or payment of dividends, raising borrowing and/or redeeming of loans, credits and investments, contribution to charitable and other funds and appointment of agents or distributors contained in the Agreements with or correspondence exchanged between the Transferor Company and the banks and/or financial institutions shall be waived and/or modified by the banks and financial institutions to the mutual satisfaction of all the parties concerned.

6. Upon the transfer of the undertaking of the Transferor Company pursuant to Clause 1 hereof and the amalgamation becoming effective in terms of this Scheme the consideration in respect of such transfer shall subject to the provisions of this Scheme be paid and satisfied by the Transferee Company as follows :

- i) The Transferee Company shall pay to the financial institutions and banks in full and final settlement of their long-term debt an amount of Rs.13.50 crores as follows :
 - a) Rs. 6.00 crores with 10% p.a. interest from 1.3.1989 till date of payment within 30 days from the effective date.
 - b) Rs. 7.50 crores with interest from 1.3.1989 at the rate of 10% per annum in 3 equal annual instalments commencing from 31.03.1990.

The above amount shall be payable in the form and manner to be decided by the financial institutions and banks.

- ii) The transferee Company shall take over the current liabilities and bank borrowings for working capital without any relief from the Transfer Date.

- iii) The Transferor Company also owned to Rhone-Poulenc a sum of about Rs. 1.69 crores as of 28.2.1989 partly on account of advance paid by Rhone-Poulenc to the Transferor Company and partly on account of royalty payments and fees for deputation of technical personnel which remained unpaid by the Transferor Company. The Transferee Company would pay back the said amount to Rhone-Poulenc in two annual interest free instalments commencing from 31.03.1993 subject to the requisite approvals from the Government of India and/or the Reserve Bank of India.
- iv) a) The Transferee Company shall issue at par and allot to the Volrho shareholders shares in the Transferee Company in the proportion of one Equity Share of 'B' Series of the face and paid-up value of Rs.10/- each of the Transferee Company credited as fully paid up for Nine (9) Equity Shares of the face value of Rs.10/- each held by the equity shareholders of the Transferor Company on such date after the Transfer Date as the Board of Directors of the Transferee Company may determine. Since the ratio of conversion is 1:9 fractions arising therefrom shall be treated in terms of Clause (vi) herebelow.
- b) Clause V of the Memorandum of Association of the Transferee Company be altered to read as :
- "The Capital of the Company in Rs.15,00,00,000/- (Rupees Fifteen Crores) divided into 14,53,000 Equity Shares of Rs.100/- each and 4,70,000 Equity Shares of 'B' Series of Rs.10/- each.... time being."
- (c) Clause 5 of the Articles of Association of the Transferee Company be altered to read as: "The Capital of the Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores) divided into 14,53,000 Equity Shares of Rs. 100/- each and 4,70,000 Equity Shares of 'B' series of Rs.10/- each."
- (d) Notwithstanding anything contained in the Companies Act, 1956, the Transferee Company shall issue and allot equity shares to the Volrho shareholders pursuant to this Scheme by way of issue and allotment of 4,44,440 Equity Shares of 'B' Series of Rs.10/- each as fully paid-up or as near thereto in such proportion and manner and for this purpose, no further approval of the shareholders of the Transferee Company would be

required under the provisions of the Companies Act, 1956 and the Transferee Company's share capital would accordingly be altered to give effect to the above.

- (e) The Transferee Company shall, as early as possible, sub-divide all its existing Equity Shares of Rs.100/- each into Equity Shares of Rs.10/- each so that the entire Authorised and issued Share Capital of the Company will consist of Equity Shares of Rs.10/- each and the shares of Rs.10/- each now to be issued to the shareholders of the Transferor Company shall rank pari passu in all respects with the Equity Shares already issued except in regard to dividend which will be payable prorata for the period from the effective date on the shares issued to the shareholders of the Transferor Company.
- v) The Equity Shares of the Transferor Company held by the Transferee Company and its wholly-owned subsidiary company, Virat Investment Company Ltd. (Virat), shall immediately upon sanction of the Scheme be transferred to and be vested in a Trustee to be appointed by the Transferee Company, who shall hold such shares for their benefit for the purpose of obtaining shares of the Transferee Company in lieu thereof in terms of this Scheme and for sale thereof as directed by the Transferee Company and for payment of the net sale proceeds thereof to them.
- vi) The equity shareholders of the Transferor Company who do not want to retain the equity shares of the Transferee Company, shall have the option to get their entitlement of equity shares in the Transferee Company sold in cash by the Transferee Company at a market price of the Voltas Equity Shares of face value of Rs.100/- prevailing on 23.03.1989 on the Bombay Stock Exchange.

Provided, however, that as a result of the allotment in the manner specified hereinabove, if any member of the Transferor Company becomes entitled to whole of and/or any fraction of equity shares of the Transferee Company, no Fractional Certificates shall be issued in respect of or representing Equity Shares of the Transferee Company but such fractions shall be consolidated into whole Equity Shares and the Board of Directors of the Transferee Company may allot any one

or more of such consolidated shares to any person or persons (including one or more of themselves or one or more of the officers or employees of the Transferee Company) as the Board of Directors may in their absolute discretion select for the the purpose of holding and selling all or any of such consolidated Equity Shares resulting from consolidation. Every such sale shall be at such price or prices as may be approved by the Board of Directors and upon receipt of the purchase price in respect of such sale, provided the Board of Directors approve of the purchaser, the Board shall allot the Equity Shares to the approved purchasers. The aggregate sale proceeds of all such Equity shares left over after defraying therefrom all costs, charges and expenses of sale or sales, shall be distributed and divided among such members as would otherwise have been entitled to such fraction of new Equity Shares of the Transferee Company in proportion to their respective interest in such fractions.

- vii) Equity Shares so allotted by the Transferee Company to the members of the Transferor Company will in all respects rank *pari passu* with the existing Equity Shares of the Transferee Company for dividend and voting rights save and except that the holders of such Equity Shares shall only be entitled to dividend if any to be declared by the Transferee Company for the Accounting Year ending 31st March, 1989 proportionate to the period commencing from 1st March, 1989 (the Transfer Date) and ending on 31st March, 1989.
- viii) All members of the Transferor Company whose names stand on the Register of Members of the Transferor Company on the date referred to in sub-clause (iv) hereinabove shall surrender to the Transferee Company for cancellation of their share certificate(s) in respect of the Equity Shares held by them in the Transferor Company and the Transferee Company shall thereupon issue to them certificate(s) for Equity Shares in the Transferee Company to which they may be entitled in terms of this Scheme. Without prejudice to the foregoing, upon the new Equity Shares being issued, and allotted by the Transferee Company to the members standing on the Register of Members of the Transferor Company on the aforesaid date, the Share Certificate in respect of the shares hold by them in the Transferor Company shall be deemed to be and stand cancelled.

- ix) The Board of Directors of the 'Transferee Company may, at their discretion for the sake of administrative convenience and in the interest of the shareholders, require the shareholders of the Transferor Company who may have been allotted shares in the Transferee Company as aforesaid which are not in marketable lots that they shall offer the same to the nominees of the Board of Directors of the Transferee Company for the purpose of sale in the manner specified in Clause (vi) hereinabove, whereupon the net sale proceeds shall be distributed to such shareholders as provided therein.
7. Investment Allowance Reserve of the Transferor Company as at March 1, 1989, (Transfer Date) shall be deemed to have been transferred to Investment Allowance Reserve in the Transferee Company.
8. The Transferee Company shall, if not already empowered pass a Special Resolution to be proposed pursuant to Section 81(1-A) of The Companies Act, 1956, for the offer and allotment of Equity Shares in the Transferee Company to the Volrho shareholders in accordance with and subject to the provisions of this Scheme.
9. Upon the Scheme being effective the liabilities of the Transferor Company as on March 1, 1989 shall be paid and discharged by the Transferee Company.
10. All employees of the Transferor Company in employment of the Transferor Company on the Transfer Date in terms of this Scheme shall as from such date become the employees of the Transferee Company on the basis that their services have not been interrupted by vesting of the undertaking of the Transferor Company in the Transferee Company under this Scheme and that the terms and conditions of service applicable to them on the Transfer Date as aforesaid will not in any way be less favourable to them than those applicable to them immediately before the Transfer Date as aforesaid.
11. The Transferee Company i.e. Voltas shall draw a long term rehabilitation programme for the merged industrial undertaking, and the required new technology will be tied up by them within three years. The Transferee Company shall also comply with safety audit measures as prescribed by the concerned authorities as early as possible. The Transferee Company is expected to obtain reliefs of about Rs.851 lakhs under Section 72(A) of the Income Tax Act, 1961. This amount would be utilised by them for meeting capital investment including for safety audit requirements and future cash losses within three years.

12. We order that the provisions of section 115J of the Income Tax Act, 1961 shall be inapplicable in the case of the Transferee Company until the entire accumulated losses and unabsorbed depreciation of the Transferor Company are fully set off in the hands of the Transferee Company.

13. The Scheme is conditional upon the following approvals and the amalgamation shall be deemed to be effective on obtaining last of the approvals :-

- a) Approval to this Scheme by a Special Resolution passed by the shareholders of the Transferee Company.
- b) The approval to the issue and allotment of equity shares in the Transferee Company to the Volrho shareholders in accordance with and subject to the provisions of the scheme by a special resolution of the Transferee Company pursuant to Section 81(1-A) of the Companies Act, 1956.
- c) Approval and declaration u/s 72(1) of Income Tax, 1961 by BIFR.

13(1) The approval of the Controller of Capital Issues under the Capital Issues (Control) Act, 1947, shall not be required for this purpose.

14. The approval of the Central Government under the provisions of Sections 22 and 23 of the MRTP Act, 1969 shall not be required for this purpose.

15. The Transferee Company shall obtain such approvals as may be required under the provisions of the Foreign Exchange Regulation Act, 1973 in respect of non-resident shareholders of the Transferor Company.

16. The Transferor Company and/or the Transferee Company shall also obtain such consent or approval as may be required under any statute or contract not specifically referred to in this Scheme.

17. Upon the Scheme being sanctioned as aforesaid, the Transferor Company shall stand dissolved without winding up on such effective date.

18. All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading up to this Scheme and/or carrying out and completing the terms and provisions of this Scheme and/or incidental to the completion of amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

19. For the purpose of giving effect to this Scheme, the Directors of the Transferee Company are authorised to give such directions as may be necessary or desirable and to settle, as they think fit, any questions, doubt or difficulty that may arise in connection with or in the working of the Scheme including with regard to the issue and allotment of shares under Clause 6(iv) to 6(ix) hereof to the members of the Transferor Company and to do all acts, deeds and things necessary for carrying into effect this Scheme.

20. A copy of BIFR's order sanctioning the scheme of amalgamation should be filed with Registrar of Companies, Andhra Pradesh and Maharashtra.

Sd/-
(N.C. BANERJEE)
Member

Sd/-
(MAHFOOZ AHMED)
Member

ANNEXURE

VOLRHO LIMITED

Schedule of Principal and interest
(as on September 30, 1988)

Rs. in lacs

INSTNS	Principal	Simple	Compound	Total
icici-rl	40.00	26.22	11.31	37.53
-re	136.13	77.49	31.62	109.11
lic-rl	22.00	17.29	27.58	44.87
uti-rl	25.00	20.13	15.50	35.63
apidc-rl	93.65	86.13	31.29	117.42
idbi-rl	270.00	174.67	75.33	250.00
ifci-rl	40.00	26.98	12.92	39.90
-re	105.00	53.32	25.68	79.00
	731.78	482.23	231.23	713.46
BANKS				
Allahabad	195.00	151.34	123.66	275.00
Canara	83.50	81.91	60.09	142.00
bnp	83.50	81.93	67.05	148.98
	362.00	315.18	250.80	565.98
TOTAL DUE	1093.78	797.41	482.03	1279.44
			i.e.	1280.00

**SCHEME OF AMALGAMATION OF
WANDLESIDE NATIONAL CONDUCTORS LIMITED
WITH
VOLTAS LIMITED**

1. The Scheme will become operative from the transfer date.
2. In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings :
 - i) 'The Transferor Company' means Wandleside National Conductors Limited (WNCL), a Company incorporated under the Companies Act, 1956, whose Registered Office is situated at 19, J.N. Heredia Marg, Ballard Estate, Bombay - 400 038, in the State Maharashtra.
 - ii) 'The Transferee Company' means Voltas Limited (Voltas) a Company incorporated under the Indian Companies Act, 1913, whose Registered Office is situated at 19, J.N. Heredia Marg, Ballard Estate, Bombay - 400 038, in the State of Maharashtra.
 - iii) 'The Act' means the Sick Industrial Companies (Special Provisions) Act, 1985.
 - iv) 'The BIFR' means the Board for Industrial and Financial Reconstruction constituted under Section 4 of the Sick Industrial Companies (Special Provisions) Act, 1985.
 - v) The 'Transfer Date' means 1st January 1992.
 - vi) 'WNCL shareholders' means the persons who are registered in the Register of Members of the Transferor Company as the holders of the issued Equity Capital of the Transferor Company as on such date (after the Transfer Date herein before defined) as the Board of Directors of the Transferee Company may determine.
 - vii) 'The Effective Date' means that date on which last of the approvals specified in Clause 15 of the Scheme are obtained.
 - viii) The 'long term debt' means the principal amount of the term loans from The Industrial Credit and Investment Corporation of India Limited (ICICI), United Bank of India and Canara Bank including Hire purchase liability

secured against fixed assets hired from Kirloskar Leasing and Finance Limited.

3. a) The Authorised Share Capital of the Transferor Company is Rs. 50,00,000 divided into 50,000 Equity Shares of Rs.100 each. The issued capital is Rs. 39,97,000 divided into 39,970 Equity Shares of Rs.100 each and the subscribed capital is Rs. 39,94,000 which is fully paid-up and Rs. 1875 is towards Forfeited Shares to the extent originally paid-up.
- b) The Authorised Share Capital of the Transferee Company is Rs. 30,00,00,000 divided into 3,00,00,000 Equity Shares of Rs.10 each. The issued, subscribed and paid-up capital is Rs. 19,83,99,320 divided into 1,98,39,932 Equity Shares of Rs. 10 each.
4. The Scheme of Amalgamation thereafter referred to as the "Scheme" is effective from end of December 31, 1991 and commencement on January 1, 1992 which date is hereinafter referred to as "Transfer date". This Scheme is conditional upon and subject to the sanction of the BIFR and its specifying the date on which it is to come into force pursuant to section 18(4) of the Act the date being hereinafter referred to as the "Effective Date", provided different dates may be specified by BIFR for different provisions of the scheme pursuant to the above section.
5. The undertaking of the Transferor Company shall with effect from the Transfer Date and without any further act or deed be deemed to have been transferred to and vested in the Transferee Company pursuant to an order to that effect by the BIFR for all the estate and interest of the Transferor Company but subject nevertheless to all charges, if any, then affecting the same or any part thereof and on the Transfer Date, the Transferor Company shall be deemed to have been amalgamated with the Transferee Company.
6. a) For the purpose of this Scheme the undertaking of the Transferor Company shall include :
 - i) All the rights and properties of the Transferor Company as on Transfer Date.
 - ii) All the Liabilities of the Transferor Company as on Transfer Date.
- b) Without prejudice to the generality of Sub-Clause (a) hereof, the undertaking of the Transferor Company shall include all rights, privileges, powers and

authorities and all properties movable or immovable real corporeal or incorporeal in possession or reversion, present or contingent of whatsoever nature and wheresoever situated including in particular all licences and liberties, patents, trade marks and import Quotas held by the Transferor Company or to which the Transferor Company is entitled and all debts, liabilities and duties of the Transferor Company and all other obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of voluntary retirement or retrenchment, PROVIDED ALWAYS that the Scheme shall not operate to enlarge the security for any loan deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by the virtue of the amalgamation and save as hereinafter provided the Transferee Company shall not be obliged to create any further or additional security thereof, after the amalgamation has become effective or otherwise.

7. If any suit, appeal or other proceedings of whatever nature (herein after called 'the proceedings') by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made.
8.
 - a) The Transfer and vesting of the property and liabilities under Clauses 5 and 6 hereof and the continuance of proceedings by the Transferee Company under clause 7 hereof shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the Transfer Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done lawfully and executed by the Transferor Company.
 - b) As from the Transfer Date the Transferor Company shall be deemed to have carried on and to be carrying on its business on behalf of and on account of and in trust for the Transferee Company until such time as the amalgamation becomes effective in terms of this Scheme.
 - c) As from the Transfer Date the Transferor Company shall

carry on the business of the Transferor Company until the amalgamation becomes effective with utmost prudence and shall not without the concurrence of the Transferee Company alienate charge or otherwise deal with the property or assets of the Transfer Company or any part thereof except in the ordinary course of business.

9. Subject to the other provisions contained in this Scheme all lawful contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the amalgamation shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and as effectively as if the Transferor Company, the Transferee Company had been a party thereto save and except that the clauses relating to appointment of one or more Directors, Director/Manager, Key Officials, declaration and/or payment of dividends, raising borrowing and/or redeeming of loans, credits and investments, contribution to charitable and other funds and appointment of agents or distributors contained in the agreements with or correspondence exchanged between the Transferor Company and the banks and/or financial institutions shall be waived and/or modified by the banks and financial institutions to the mutual satisfaction of all the parties concerned.
10. Upon the transfer of the undertaking of the Transferor Company pursuant to clause 5 hereof and the amalgamation becoming effective in terms of this Scheme the consideration in respect of such transfer shall subject to the provisions of this Scheme be paid and satisfied by the Transferee Company as follows :
 - i) The Transferee Company shall pay and discharge the dues to the financial institutions and banks in the manner provided in the Scheme, a full text of which is available for inspection by the members.
 - ii) The transferee Company shall take over all the current liabilities and bank borrowings for working capital without any relief from the Transfer Date.
 - iii) (a) The Transferee Company shall issue at par and allot to the WNCL shareholders equity shares in the Transferee Company in the proportion of one Equity Share of the face and paid-up value of Rs.10 each of the Transferee Company credited as fully paid up for three Equity Shares of the face value of Rs.100 each held by the equity shareholders of the Transferor Company on such date

after the Transfer Date as the Board of Directors of the Transferee Company may determine.

Provided, however, that as a result of the allotment in the manner specified hereinabove, if any member of the Transferor Company becomes entitled to any fraction of equity shares of the Transferee Company, no Fractional Certificates shall be issued in respect of or representing Equity Shares of the Transferee Company but such fractions shall be consolidated into whole Equity Shares and the Board of Directors of the Transferee Company may allot any one or more of such consolidated shares to any person or persons (including one or more of themselves or one or more of the officers or employees of the Transferee Company) as the Board of Directors may in their absolute discretion select for the purpose of holding and selling all or any of such consolidated Equity Shares resulting from consolidation. Every such sale shall be at such price or prices as may be approved by the Board of Directors and upon receipt of the purchase price in respect of such sale, provided the Board of Directors approve of the purchaser, the Board shall allot the Equity Shares to the approved purchasers. The aggregate sale proceeds of all such equity shares left over after defraying therefrom all costs, charges and expenses of sale or sales, shall be distributed and divided among such members as would otherwise have been entitled to such fractions of new equity shares of the Transferee Company in proportion to their respective interest in such fractions.

- b) The Equity Shares of the Transferor Company held by the Transferee Company shall immediately upon sanction of the Scheme be transferred to and be vested in a trustee to be appointed by the Transferee Company, who shall hold such shares of the Transferor Company in lieu thereof in terms of this Scheme and for sale thereof as directed by the Transferee Company and for the payment of the net sale proceeds thereof to WNCL Shareholders.
- c) Notwithstanding any thing contained in the Companies Act, 1956, the Transferee Company shall issue and allot Equity Shares to the WNCL equity shareholders pursuant to this scheme by way of

issue and allotment of 13313 Equity Shares of Rs.10 each as fully paid up or as near thereto in such proportions and manner and for this purpose, no further approval of the shareholders of the Transferee Company would be required under the provisions of the Companies Act, 1956, and the Transferee Company's share capital would accordingly be altered to give effect to the above.

- (iv) The Equity Shareholders of the Transferor Company who do not want to retain the equity shares of the Transferee Company, shall have the option to get their entitlement of equity shares in the Transferee Company sold in cash by the Transferee Company at the highest market price of the Transferee Company shares of face value of Rs.10 prevailing during the first week of January, 1992 on the Bombay Stock Exchange.
- (v) Equity Shares so allotted by Transferee Company to the members of the Transferor Company will in all respects rank pari passu with the existing equity shares of the Transferee Company for dividend and voting rights and except that:
 - a) The holders of such equity shares shall only be entitled to dividend if any to be declared by the Transferee Company for the Accounting Year ending 31st March, 1992 proportionate to the period commencing from 1st January, 1992 (the Transfer date) and ending on 31st March, 1992; and
 - b) they shall not be entitled to allotment in any manner of 14% secured partly convertible debentures which the Transferee Company has already proposed to issue by way of Rights to the existing shareholders of the Transferee Company.
- (vi) The Board of Directors of the Transferee Company may, at their discretion for the sake of administrative convenience and in the interest of the shareholders require the shareholders of the Transferor Company, who may have been allotted shares in the Transferee Company as aforesaid lots that they shall offer the same to the nominees of the Board of Directors of the Transferee Company for the purpose of sale in the manner specified in the clause [iii(a)] hereinabove, where upon the net sale proceeds shall be distributed to such shareholders as provided therein.

11. Investment Allowance Reserve of the Transferor Company as

at 1st January, 1992 (Transfer Date) shall be deemed to have been transferred to Investment Allowance Reserve in the Transferee Company. The Transferee Company shall be allowed deduction for the Unabsorbed Investment allowance of the Transferor Company, Reserve and losses of the Transferor Company as at December 31, 1991 shall be deemed to have been transferred to the Transferee Company.

12. The Transferee Company shall, if not already empowered, pass a Special Resolution to be proposed pursuant to Section 81(1-A) of the Companies Act, 1956, for the offer and allotment of Equity Shares in the Transferee Company to the WNCL shareholders in accordance with and subject to the provisions of this Scheme.
13. The transferee Company has drawn a long term rehabilitation programme for the merged industrial undertaking. This programme is given in the scheme, a full text of which is available for inspection by the members.
14. The Transferee Company shall implement the scheme as mentioned hereinabove and shall utilise the reliefs obtained under Section 72A of the Income-tax Act, 1961 for meeting capital investment, pressing creditors, margin money for working capital, cash losses, if any, and such other permissible requirements/expenses deemed fit by the Board of the Transferee Company for the revival of the operations of the Transferor Company.
15. The Scheme is conditional upon the following approvals and the amalgamation shall be deemed to be effective on obtaining last of the approvals:-
 - a) Approval to this Scheme by a Special Resolution passed by the shareholders of the Transferee Company.
 - b) The approval to the issue and allotment of Equity Shares in the Transferee Company to WNCL shareholders in accordance with and subject to the provisions of this Scheme by a Special Resolution of the Transferee Company pursuant to Section 81 (1-A) of the Companies Act, 1956.
 - c) Approval and declaration under section 72A of the Income-tax Act, 1961 by BIFR.
 - d) Approval of RBI for issue and allotment of equity shares in Transferee Company to Non-Resident shareholders of the Transferor Company.

16. The approval of the Controller of Capital Issues under Capital Issues Control Act, 1947, shall not be required for this purpose.
17. a) The approval of the Central Government under the provisions of Sections 22 and 23 of the Monopolies Restrictive Trade Practices Act, 1969 shall not be required for this purpose.
b) The approval of the Central Government under the provisions of the Industries (Development and Regulation) Act, 1951 shall not be required for this purpose.
18. The Transferee Company shall obtain such approvals as may be required under the provisions of the Foreign Exchange Regulation Act, 1973 in respect of non-resident shareholders of the Transferor Company as well as technical collaboration with M/s. Robertshaw Control Company, U.S.A.
19. The Transferor Company and/or the Transferee Company shall also obtain such consent or approval as may be required under any statute or contract not specifically referred to in this Scheme.
20. Upon the Scheme being sanctioned as aforesaid, the Transferor Company shall stand dissolved without winding up on the Effective date.
21. All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in the relation to or in connection with negotiations leading to the completion of amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.
22. For the purpose of giving effect to this Scheme, the Directors of the Transferee Company are authorised to give such directions as may be necessary or desirable and to settle as they think fit, any questions doubts or difficulties that may arise in connection with or in the working of the Scheme including with regard to the issue and allotment of shares under clause 10(i) to clause 10(vi) hereof to the members of the Transferor Company and to do all acts, deeds and things necessary for carrying into effect this Scheme.
23. A copy of BIFR's order sanctioning the Scheme of amalgamation should be filed with Registrar of Companies, Maharashtra.

**SCHEME OF AMALGAMATION
OF
HYDERABAD ALLWYN LIMITED
WITH
VOLTAS LIMITED**

1. In this Scheme, unless inconsistent with the subject or context.

- i) "The Transferor Company" means Hyderabad Allwyn Limited, a Public Limited Company incorporated under the Indian Companies Act, 1913, whose Registered Office is situated at "Allwyn Bhavan" Sanatnagar, Hyderabad 500 018, in the State of Andhra Pradesh.
- ii) "The Transferee Company" means Voltas Limited, a Company incorporated under the Indian Companies Act, 1913, whose Registered Office is situated at 19, J.N. Heredia Marg, Ballard Estate, Bombay 400 038, in the State of Maharashtra.
- iii) "The Act" means the Sick Industrial Companies (Special Provisions) Act, 1985.
- iv) "The BIFR" means the Board for Industrial and Financial Reconstruction constituted under Section 4 of the Act.
- v) "The Transfer Date" means April 1, 1993.
- vi) "The Effective Date" means the date on which the last of the approvals specified in Clause 17 hereof is obtained.

2. a) The Authorised Share Capital of the Transferor Company is Rs.65,00,00,000/- divided into 6,50,00,000 equity shares of Rs. 10/- each. The issued, subscribed and called - up capital is Rs. 27,65,36,510/- divided into 2,76,53,651 equity shares of Rs. 10/- each and paid-up capital is Rs. 27,64,62,010.

b) The Authorised Share Capital of the Transferee Company is Rs. 45,00,00,000/- divided into 4,50,00,000 Equity Shares of Rs. 10/- each. The issued, subscribed and called-up capital is Rs. 31,83,16,460/- divided into 3,18,31,646 Equity Shares of Rs. 10/- each and the paid-up capital is Rs.31,16,04,934.

3. The Transferor Company has been engaged in the manufacture and sale of :

- (a) Domestic Refrigerators, Steel Furniture, LPG Cylinders and other allied products and fabrication of bus bodies at its factory situate at Sanatnagar, Hyderabad.
- (b) Domestic Refrigerators at its factory situate at Nandalur, Luddapah District; and
- (c) Wrist Watches at its factories situate at Patancheru, Medak District and Penukonda, Anantpur District.

4. The amalgamation of the Transferor Company with the Transferee Company shall be effective from the Transfer Date. The undertaking of the Transferor Company shall, with effect from the Transfer Date, without any further act or deed, be deemed to have been transferred to and vested in the Transferee Company.

5. a) For the purpose of the said amalgamation, the undertaking of the Transferor Company shall include all rights and properties and all liabilities and obligations of the Transferor Company as on the Transfer Date.
- b) Without prejudice to the generality of Sub-Clause (a) hereof, the undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all properties, moveable and immovable, real, corporeal or incorporeal in possession or reversion, present or contingent, of whatsoever nature and wheresoever situated including in particular all licences and liberties, patents, trade marks and import quotas held by the Transferor Company or to which the Transferor Company is entitled and all debts, liabilities and duties of the Transferor Company and all other obligations of whatsoever kind including liabilities in respect of the employees of the Transferor Company numbering 5000 agreed to be taken over by the Transferee Company, with regard to payment of gratuity, pension benefits, provident fund or compensation in the event of voluntary retirement or retrenchment, PROVIDED ALWAYS that the said amalgamation shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by virtue of the said amalgamation.

6. If any suit, appeal or other proceedings of whatever nature

(hereinafter called the proceedings') by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the undertaking of the Transferor Company or of anything contained in this Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made.

7. a) The transfer and vesting of the property and liabilities under Clauses 4 and 5 hereof and the continuance of proceedings by the Transferee Company under Clause 6 hereof shall not affect any transaction or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the transfer Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done lawfully and executed by the Transferor Company.
- b) As from the Transfer Date, the Transferor Company shall be deemed to have carried on and to be carrying on its business on behalf of and on account of and in trust for the Transferee Company until the Effective Date, during which period, the Transferor Company shall carry on the business of the Transferor Company with utmost prudence and shall not without the concurrence of the Transferee Company alienate, charge or otherwise deal with the property or assets of the Transferor Company or any part thereof except in the ordinary course of business.

8. Subject to the other provisions contained in this Scheme, all lawful contracts, deeds, bonds, agreements and other instruments of whatever nature to which the Transferor Company is a party subsisting or having effect immediately before the said amalgamation, shall be in full force and effect against or in favour of the Transferee Company and may be enforced as fully and as effectively as if instead of the Transferor Company, the Transferee Company had been a party thereof. However, the Clauses relating to convertibility of defaulted amounts into equity, appointment of one or more Directors, Director/Manager, Key Officials, Technical Consultants, Chartered Accountants, declaration and/or payment of dividends, raising, borrowing and/or redeeming of loans, credits and investments, creation of subsidiaries, revaluation of assets, trading activities, contribution to charitable and other funds, issue of debentures and fresh capital, appointment of agents or distributors, management take-over by the

Lender, right of sale of assets by the Lender and such other restrictive covenants contained in the Agreements with or correspondence exchanged between the Transferor Company and its banks and/or financial institutions shall be relaxed subject to the condition that all such clauses shall automatically become applicable without any further act or concurrence on behalf of the Transferee Company in case the Transferee Company commits default in the payment of two consecutive quarterly instalments of principal or interest or a combination thereof.

9. As a part of the Rehabilitation Scheme of the Transferor Company and in terms of a Memorandum of Understanding dated 28th March, 1993 entered into amongst the Transferor Company, Government of Andhra Pradesh and the Transferee Company, and in partial modification thereof with regard to the Watch Undertaking of the Transferor Company.

- (a) (i) With effect from April 7, 1993 the Watch Undertaking of the Transferor Company comprising the aforesaid two factories situate at Patancheru and Penukonda (hereinafter collectively referred to as "the Watch Undertaking") shall be transferred to Allwyn Watches Limited, a Government of Andhra Pradesh Undertaking (hereinafter referred to as "the Watch Company") as a going concern in accordance with an Agreement dated 28th March, 1993 entered into between the Transferor Company and the Transferee Company of the One Part and the Watch Company of the Other Part but subject to the modification that the date of such transfer shall be as specified in this Sub-Clause.
- (ii) The transfer of the Watch Undertaking as aforesaid shall also be subject to and along with all current and other liabilities and provisions including Sundry Creditors, short term and long term loans received from any part or source whatsoever pertaining to the Watch Undertaking and the securities by way of charge, mortgage created therefor as appearing in the Books of the Transferor Company as of the date of transfer of the Watch Undertaking including contingent liabilities as on that date comprising claims against the Transferor Company not acknowledged as debts, bills discounted, guarantees executed in favour of various Authorities, disputed sales tax and excise duty, claims or demands for sales tax and excise duty made or received after the said date in respect of the Watch Undertaking.
- (iii) With effect from the date of transfer of the Watch

Undertaking till the Effective Date, the business and activities of the Watch Undertaking shall be deemed to have been carried on by the Transferor Company on behalf and on account of the Watch Company and all the income or profit accruing or arising or any loss incurred or resulting from the conduct of the business and activities of the Watch Undertaking during the said period shall for all purposes be and shall be treated as the profit or loss as the case may be of the Watch Company and the Transferor Company shall be liable to account for such profit or loss and entitled to claim from the Watch Company reimbursement of all expenses and liabilities incurred on account of capital and revenue expenditure till the Effective Date.

- (iv) If any suit, appeal or other proceedings of whatever nature (hereinafter called the 'proceedings') by or against the Transferor pertaining to the Watch Undertaking 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 the Transferor Company or of anything contained in this Scheme but the proceedings shall be continued, prosecuted and enforced by or against the Watch Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made.
 - (v) The Watch Company shall absorb all the employees engaged in or connected with the Watch Undertaking on terms and conditions which shall not be less favourable than those applicable to them as of the date of transfer of the Watch Undertaking.
 - (vi) The consideration for the said transfer of the Watch Undertaking shall be the take over and discharge by the Watch Company of liabilities including current liabilities in excess of the aggregate of net fixed assets and the book value of all the current assets of the Watch Undertaking as of the date of transfer of the Watch Undertaking, by Rs. 33.50 crores (i.e. liabilities equivalent to net fixed assets and the book value of all the current assets of the Watch Undertaking as of the date plus liabilities to the extent of Rs. 33.50 crores)
- (b) (i) With effect from April 7, 1993, the Transferor Company shall lease out to Allwyn Auto Limited, a

Government of Andhra Pradesh Undertaking certain specified pieces of land, buildings, structures and plant and machinery used by the Auto Division of the Transferor Company for a period of 5 years on terms and conditions specified in an Agreement dated 28th March, 1993 entered into between the Transferor Company and the Transferee Company of the One part and the Government of Andhra Pradesh on behalf of the said Allwyn Auto Limited (hereinafter referred to as the "Auto Company") of the Other Part but subject to the modification that the period of lease shall be deemed to have commenced from the date specified in this sub-Clause.

- (ii) The employees of the Transferor Company working in its Auto Division shall be deemed to have been transferred and absorbed in the services of the Auto Company with effect from the date of commencement of the lease period aforesaid.
 - (iii) The Auto Company shall also purchase from the Transferor Company at book value all the current assets of the said Auto Division as on the date of commencement of the lease period aforesaid, comprising raw materials, work-in-progress, finished goods and the actionable claims against Sundry Debtors pertaining to the said Auto Division together with the pending Orders.
 - (iv) All the Creditors of the said Auto Division for supply of goods or services shall also be taken over by the Auto Company with effect from the aforesaid date.
 - (v) During the pendency of the lease period mentioned hereinabove, the Auto Company shall put up at an alternative site the necessary facilities for carrying on the activities of the said Auto Division so that the Transferee Company would be in a position to resume its activities in the premises let out to the Auto Company.
- (c) The Transferor Company has identified the number of surplus employees of the Transferor Company who would be transferred and absorbed by the Government of Andhra Pradesh. The Government of Andhra Pradesh has vide its Order G.O.MS. No. 180 dated 28th April, 1993 completed the modalities for placement of 1486 employees in various Government Departments and State level Public Enterprises.

- (d) The aforesaid transfer of the Watch Undertaking to the Watch Company together with the transfer of the employees engaged in or connected with the Watch Undertaking as also the transfer of the employees in the Auto Division and the surplus employees identified as aforesaid would be completed before the sanction of this Scheme.

10. Upon the transfer of the undertaking of the Transferor Company to the Transferee Company and the said amalgamation becoming effective in terms of this Scheme, the consideration in respect of such transfer shall, subject to the provisions of this Scheme, be paid and satisfied by the Transferee Company as follows:

- (i) The Transferee Company shall pay and discharge the dues to the financial institutions and banks in the manner as provided in para 13.
- (ii) (a) The Transferee Company shall issue at par and allot to the shareholders of the Transferor Company shares in the Transferee Company in the proportion of 10 (ten) Equity Shares of Rs.10/- each and 1 (one) 14% Redeemable Preference Shares of Rs.100/- of the Transferee Company for every 220 (two hundred twenty) Equity Shares of Rs. 10/- each held in the Transferor Company on such date after the Transfer Date as the Board of Directors of the Transferee Company may determine. Provided, however, that as a result of the allotment in the manner specified hereinbefore, if any member of the Transferor Company becomes entitled to any fraction of shares of the Transferee Company, no Fractional Certificates shall be issued in respect of or representing shares of the Transferee Company but such fractions shall be consolidated into whole Shares and the Board of Directors of the Transferee Company may allot any one or more of such consolidated shares to any person or persons as the said Board of Directors may in their absolute discretion select for the purpose of holding and selling all or any of such consolidated Shares resulting from consolidation. Every such sale shall be at such price or prices as may be approved by the said Board of Directors and upon receipt of the purchase price in respect of such sale, provided the Board of Directors approve of the purchaser,

the said Board of Directors shall allot the Shares to the approved purchasers. The aggregate sale proceeds of all such Shares left over after defraying therefrom all costs, charges and expenses of sale or sales, shall be distributed and divided among such members as would otherwise have been entitled to such fractions of new Shares of the Transferee Company in proportion to their respective interest in such fractions.

- (b) Notwithstanding anything contained in the Companies Act, 1956, the Transferee Company shall issue and allot Shares to the shareholders of the Transferor Company pursuant to this Scheme by way of issue and allotment of 12,56,828 equity shares of Rs.10/- each as fully paid-up and 1,25,682 14% Redeemable Preference Shares of Rs. 100/- each (redeemable at par by not later than 1st April, 1998) as fully paid-up or as near thereto in such proportion and manner and for this purpose, no further approval of the shareholders of the Transferee Company would be required under the provisions of the Companies Act, 1956 and the Transferee Company's share capital would accordingly be altered to give effect to the above.
- (iii) The Shares so allotted by the Transferee Company to the members of the Transferor Company will in all respects rank pari passu with the existing Shares of the Transferee Company for dividend and voting rights save and except that :
- (a) the holders of such Equity Shares shall not be entitled to dividend declared by the Transferee Company for the Accounting Year ended 31st March, 1993; and
- (b) the holders of the 14% Redeemable Preference Shares will be subject to dividend and voting rights as per the provisions contained in the Articles of Association of the Transferee Company but shall not be entitled to any dividend for the Accounting year ended 31st March, 1993.
- (iv) The Board of Directors of the Transferee Company may, at their discretion for the sake of administrative

convenience and in the interest of the shareholders, require the shareholders of the Transferor Company, who may have been allotted shares in the Transferee Company as aforesaid which are not in marketable lots that they shall offer the same to the nominees of the Board of Directors of the Transferee Company for the purpose of sale in the manner specified in Clause (ii) (a) hereinabove, whereupon the net sale proceeds shall be distributed to such shareholders as provided therein.

11. Investment Allowance Reserve of the Transferor Company as on the Transfer Date shall be deemed to have been transferred to the Investment Allowance Reserve in the Transferee Company. The Transferee Company shall be allowed deduction for the Unabsorbed Investment Allowance of the Transferor Company. Reserves and losses of the Transferor Company as on the Transfer Date shall be deemed to have been transferred to the Transferee Company.

12. The Transferee Company shall, if not already empowered, pass a Special Resolution to be proposed pursuant to Section 81(1-A) of the Companies Act, 1956 for the offer and allotment of shares in the Transferee Company to the Shareholders of the Transferor Company in accordance with and subject to the provisions of this Scheme.

13. The Financial Institutions, Banks the Government of Andhra Pradesh and the Central Government shall provide the following reliefs and concessions to the Transferee Company :

B. Financial Institutions :

- (1) To waive penal interest and liquidated damages on existing term loans accruing upto 31st March, 1993;
- (2) To waive unpaid interest to the extent of Rs. 800 lakhs;
- (3) To convert foreign currency loans into rupee loans at exchange rates prevailing on the respective due dates;
- (4) To reduce the rate of interest on rupee and rupee-tied foreign currency loans by 2% p.a. below the document rates subject to a minimum of 13.5% p.a.; and
- (5) To rephase the repayment schedules of the rupee and rupee-tied foreign currency loans so as to be repayable in 20 quarterly instalments commencing from April 1, 1994.

B. Banks :

- (1) Irregularity in the working capital borrowing to be converted into working capital term loan ("WCTL") carrying interest @ 3% p.a. less than the prevailing minimum lending rate;
- (2) WCTL to be repayable in 20 quarterly instalments commencing from April 1, 1994;
- (3) To provide need-based working capital and reduce interest rate by 1.5% p.a. below the prevailing minimum lending rates till completion of the Rehabilitation Scheme; and
- (4) Waiver of irregularity in borrowings to the extent of Rs.400 lakhs.

C. State Governments :

- (1) Waiver of minimum demand charges levied by the Andhra Pradesh State Electricity Board during the period of rehabilitation.
- (2) Waiver of penalties, interest and liquidated damages, if any, levied/leviable by the State Government in respect of sales tax dues, electricity dues and any other dues pertaining to the period upto the date of the final Order from the BIFR approving this Scheme.
- (3) Unpaid statutory dues like sales tax to be funded and the amount so funded to have a moratorium of 2 years (1994-95 and 1995-96) for repayment of such dues and payment of interest thereon. Thereafter, repayment to be made in 20 equal quarterly instalments with interest at 6% p.a.
- (4) Deferment of Sales tax liabilities in respect of the products manufactured at Sanatnagar and Nandalur factories for a period of 7 years from the date of the final Order from the BIFR approving this Scheme.
- (5) Manufacturing locations at Sanatnagar and Nandalur to be exempted from power cuts.
- (6) Waiver of State Government loans aggregating to Rs.800 lakhs.
- (7) The State Government to undertake to pay, discharge

or otherwise settle in any manner the liabilities of the Transferor company (including contingent and other liabilities not provided for in the Books of Accounts) in excess of Rs. 31 crores agreed to be taken over by the Transferee Company as stipulated in the said MOU dated 28th March, 1993. Such excess liabilities will include inter-corporate loans from National Mineral Development Corporation, Andhra Pradesh Industrial Infrastructure Corporation, Nizam Sugar Factory Ltd., Andhra Pradesh Technological Services Ltd., Federation of Co-operative Spinning Mills, Andhra Pradesh Scheduled Caste Finance Corporation, loans from Air Force Group Insurance Society, Debentures and fixed deposits from the public.

- (8) The State Government to issue appropriate Orders under the Urban Land (Ceiling & Regulation) Act, 1976 exempting the excess vacant lands, if any, which will stand transferred from the Transferor Company to the Transferee Company pursuant to this Scheme.

D. Central Government :

- (1) To pay 20% of the ESI dues by way of down-payment within 1 month of the date of sanction of the scheme and the balance in 7 years in equal monthly instalments with interest @ 12% per annum; and
- (2) To fund the Employer's contribution towards PF and the amount so funded to have a moratorium of 2 years from the date of sanction of the scheme for payment thereof and the interest thereon. Thereafter payment to be made in 20 equal quarterly instalments with interest at 12% p.a.

The above package of reliefs and concessions will be subject to following conditions :

A.P. Government :

- (i) Voltas shall pay to the term lenders their unpaid interest in excess of Rs.800 lakhs on allotment of its shares to the existing shareholders of Allwyn. The amount so payable by Voltas to term lenders shall be made good by the A.P. Government to Voltas. The guarantee-cum-undertaking to be furnished by the A.P. Government in the regard shall be suitably modified to this effect.

- (ii) Any contingent liability or other liability not disclosed or not known at the time of framing and sanctioning of rehabilitation scheme shall be met out of additional interest free funds to be brought in by Voltas to the satisfaction of IDBI. The amount so payable by Voltas shall be made good by the A.P. Government to Voltas. The guarantee-cum-undertaking to be furnished by the A.P. Government in the regard shall be suitably modified to this effect.

Voltas :

- (i) Institutions and banks shall have the right to review the implementation of the rehabilitation scheme and withdraw all or part of the reliefs and concessions being granted.
- (ii) Any shortfall in the projected cash flow of the Refrigerator Division which is being merged with Voltas, shall be met by Voltas by way of interest-free funds on terms satisfactory to IDBI. Further any reduction in the assumed cash shortfall on account of improved profitability of the division shall be utilised for pre-payment of terms loan by that equivalent to maintain promoters' contribution as envisaged in the scheme.
- (iii) Any contingent liability or other liabilities not disclosed or not known at the time of framing and sanctioning of rehabilitation scheme shall be met out of additional interest-free funds to be brought in by Voltas to the satisfaction of IDBI. The amount so payable by Voltas shall be made good by the A.P. Government to Voltas. The guarantee-cum-undertaking to be furnished by the A.P. Government in the regard shall be suitably modified to this effect.
- (iv) Any shortfall in tax reliefs assessed by Voltas u/s 72A, of Income Tax Act compared to that assessed by Income Tax authorities shall be made good by Voltas by way of interest-free funds. Any increase thereof shall be ploughed back into the operations of Refrigerator Division.
- (v) Voltas shall approach necessary authorities for the reliefs in Sales Tax, PF, ESI, etc. sought and any shortfall in the reliefs assessed by Voltas shall be met by it by way of interest-free funds.
- (vi) Voltas shall submit progress reports to BIFR/IDBI/SBH on half-yearly basis. IDBI (Operating Agency) shall monitor the implementation of the scheme in all aspects and submit reports thereon to BIFR on half-yearly basis.

(vii) Voltas shall agree and abide by all the covenants and clauses of the agreements entered into between institutions, banks and Allwyn and these agreements shall be deemed to have been entered between it and the institutions/banks and shall continue to be in full force and effect during the period of rehabilitation.

(viii) Voltas shall pay to the term lenders their unpaid interest in excess of Rs.800 lakhs on allotment of its shares to the existing shareholders of Allwyn. The amount to payable by Voltas to term lenders shall be made good by the A.P. Government to Voltas. The guarantee-cum-undertaking to be furnished by the A.P. Government in this regard shall be suitably modified to this effect.

14. The following reliefs and concessions shall be provided to the Watch Company by the Financial Institutions, Banks and the Government of Andhra Pradesh.

A. Financial Institutions :

- (i) To waive the penal interest and liquidated damages on existing term loans accruing upto March 31, 1993;
- (ii) Foreign Currency loans to be converted into rupee term loans at the exchange rates prevailing on the respective due dates;
- (iii) To reduce the rate of interest on rupee and rupee-tied foreign currency loans by 2% below the document rates subject to a minimum of 13.5% p.a.;
- (iv) To reschedule the rupee and rupee-tied foreign currency loans so as to be repayable in 32 quarterly instalments commencing from April 1, 1995;
- (v) Of the unpaid interest of institutions/banks aggregating Rs.2699 lakhs, Rs.1100 lakhs to be funded @ 13.5% p.a., to be repayable in 32 quarterly instalments commencing from April 1, 1995, Rs.1099 lakhs to be waived and Rs. 500 lakhs to be converted into equity of AWL; and
- (vi) To defer collection of interest during 1993-94 till March 31 / June 30, 1994 carrying interest same as applicable to respective rupee/rupee-tied foreign currency loans.

B. Banks :

- (i) To extend the same reliefs and concessions as institutions on their outstanding rupee term loans;
- (ii) To convert irregularity in working capital of about Rs.1600 lakhs into working capital term loan with interest @ 3% less than the prevailing minimum lending rate;
- (iii) The working capital term loan to be repayable in 32 quarterly instalments commencing from April 1, 1995;
- (iv) To provide need-based working capital to the Watch Company and to reduce interest rate by 1.5% p.a. below the prevailing minimum lending rate till completion of the rehabilitation scheme i.e. 10 years.

C. Government of Andhra Pradesh :

- (i) To take over balance liabilities of the Watch Division to the extent of Rs.3800 lakhs (after taking into account investments of Rs.206 lakhs);
- (ii) Waiver of State Govt. loans to the extent of Rs.1079 lakhs and conversion of Rs.921 lakhs into equity of the Watch Company; and
- (iii) Fresh funds aggregating Rs.1700 lakhs to be provided as share capital to meet the proposed capital expenditure and cash loss.

D. Central Governments :

- (i) To pay 20% of the ESI dues by way of down-payment within 1 month of the date of sanction of the scheme and the balance in 7 years in equal monthly instalments with interest @ 12% per annum; and
- (ii) To fund the Employer's contribution towards PF and the amount so funded to have a moratorium of 2 years from the date of sanction of the scheme for payment thereof and the interest thereon. Thereafter payment to be made in 20 equal quarterly instalments with interest at 12% p.a.

The above package of reliefs and concessions will be subject to following special conditions :

- (i) Any shortfall in the projected cash flow would be met by the Andhra Pradesh Govt. by way of interest-free funds on terms satisfactory to IDBI;
- (ii) Reliefs/concessions shall be subject to annual review and the institutions/banks shall have the right to recompense and recoup the sacrifices, if the actual profitability and cash flow so warrants;
- (iii) A.P. Government shall meet any overrun in the cost of the scheme by way of equity/interest-free funds on terms satisfactory to IDBI;
- (iv) A.P. Government shall appoint a professionally qualified person with suitable experience as Chief Executive in consultation with and to the satisfaction of IDBI;
- (v) AWL shall broad base its Board of Directors by inducting professional independents and appoint experienced professionals as Wholetime Directors in the areas of Finance, Technical and Marketing;
- (vi) AWL shall satisfy IDBI that it has appointed technical, financial & executive personnel of proper qualification and experience for the key posts and that its organisational setup is adequate to ensure smooth implementation and operation of the company;
- (vii) A.P. Government shall enter into an arrangement with Voltas for using the existing marketing/distribution network for period of at least one year;
- (viii) A.P. Government shall agree to buy-back the equity of the term lenders arising out of the conversion of a part of unpaid interest on terms, as may be decided by IDBI, any time during the rehabilitation period of 10 years;
- (ix) A.P. Government shall furnish an unconditional and irrevocable guarantee for the term loans of institutions and banks and also the working capital assistance of the banks in such manner as may be required by IDBI.

15. The following reliefs and concessions would be provided to the Auto Company by the banks and Government of Andhra Pradesh:

A. Banks :

To sanction need-based working capital facilities to the company at concessional rate of 1.5% p.a. below the prevailing minimum lending rate which is presently 17% p.a. for a period of two years.

B. A.P. Government :

To induct fresh funds of Rs.726 lakhs as equity/interest-free loans to meet the capital expenditure, margin money for working capital and cash loss.

C. Central Government :

- (i) To pay 20% of the ESI dues by way of down-payment within 1 month of the date of sanction of the scheme and the balance in 7 years in equal monthly instalments with interest @ 12% per annum; and
- (ii) To fund the Employer's contribution towards PF and the amount so funded to have a moratorium of 2 years from the date of sanction of the scheme for payment thereof and the interest thereon. Thereafter payment to be made in 20 equal quarterly instalments with interest at 12% p.a.

The above package of reliefs/concessions would be subject to the following special conditions :

A.P. Government / AAL

- (i) Any shortfall in the projected cash flow would be met by way of interest-free funds on terms satisfactory to IDBI;
- (ii) Reliefs/concessions shall be subject to annual review and the banks shall have the right to recompense and recoup the sacrifices if the actual profitability and cash flow so warrants;
- (iii) The State Government shall meet any overrun in the cost of the scheme by way of equity/interest-free funds on terms satisfactory to IDBI;
- (iv) The State Government shall appoint a professionally qualified person with suitable experience as Chief Executive in consultation with and to the satisfaction of IDBI;

- (v) AAL shall broad base its Board of Directors to have a minimum of 7 Directors with at least 4 independents; and
- (vi) AAL shall satisfy IDBI that it has appointed technical, financial & executive personnel of proper qualification and experience for the key posts and that its organisational setup is adequate enough to ensure smooth implementation and operation of AAL.

16. The Transferee Company shall implement the Scheme as mentioned hereinabove and shall utilise the reliefs obtained under Section 72A of the Income-tax Act, 1961 for meeting capital expenditure, pressing creditors, margin money for working capital, cash losses, if any, and such other permissible requirements/expenses deemed fit by the Board of Directors of the Transferee Company for the revival of the operations of the Transferor Company.

17. This Scheme is conditional upon the following approvals and the amalgamation of the Transferor Company with the Transferee Company shall be deemed to be effective on the date of obtaining the last of the approvals.

- (a) Approval to this Scheme by a Special Resolution passed by the shareholders of the Transferee Company.
- (b) Approval to the issue and allotment of shares in the Transferee Company to the shareholders of the Transferor Company in accordance with and subject to the provisions of this Scheme by a Special Resolution of the Transferee Company pursuant to Section 81(1-A) of the Companies Act, 1956.
- (c) Approval and sanction of this Scheme by the BIFR including a declaration under Section 72A of the Income-tax Act, 1961 by the BIFR, for the carry-forward of the accumulated business losses and unabsorbed depreciation of the Transferor Company by the Transferee Company.
- (d) A Declaration by BIFR that notwithstanding anything contained in the Income-tax Act, 1961, neither the Transferor Company nor the Transferee Company shall be subject to any tax liability under Section 41(1) and 43B of the said Act.
- (e) Approval of the Reserve Bank of India for issue and allotment of shares in the Transferee Company to non-resident shareholders, if any, of the Transferor Company.

18. The Transferee Company shall obtain such approvals as may be required under the provisions of the Foreign Exchange Regulation Act, 1973 in respect of the non-resident shareholders of the Transferor Company.

19. The Transferor Company and/or the Transferee Company shall also obtain such consents or approvals as may be required under any Statute or contract not specifically referred to in this Scheme.

20. Upon the Scheme being sanctioned as aforesaid, the Transferor Company shall stand dissolved without winding up on the Effective Date.

21. All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with negotiations leading upto this Scheme and/or carrying out and completing the terms and provisions of this Scheme and/or incidental to the completion of amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

22. For the purpose of giving effect to this Scheme, the Directors of the Transferee Company are authorised to give such directions as may be necessary or desirable and to settle as they think fit, any questions, doubts or difficulties that may arise in connection with or in the working of the Scheme including with regard to the issue and allotment of shares under Clause 10 hereof to the members of the Transferor Company and to do all acts, deeds and things necessary for carrying into effect this Scheme.

23. The Annexures Nos. II to XVI appended hereto and forming part of this Scheme indicate the requirements of funds, sources of funds, projected profitability estimates, projected cash flow statements and other relevant information for the purpose of rehabilitation of the Transferor Company.

24. A copy of this sanctioned Scheme should be filed with the Registrar of Companies of the States concerned within one month of its approval by the BIFR.

Sd/-

(Ashim Chatterji)
Member

Sd/-

(M.M.S. Srivastava)
Member

New Delhi,
Dated the 4th April, 1994.

** *** **

Note: Annexures not enclosed.

Verified Copy No. : 36-∞
 Additional Rs. : 6-∞
 Total Rs. : 42-∞

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 16052

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 528 OF 2001

CONNECTED WITH

COMPANY APPLICATION NO. 243 OF 2001

In the matter of Companies Act,
1956;

And

In the matter of M/s. Voltas
International Limited;

And

In the matter of Section 391 and 394
of the Companies Act, 1956.

And

In the matter of Amalgamation of
Voltas International Limited with
Voltas Limited.

M/s. Voltas International Limited)
 a Company incorporated under the)
 provisions of Companies Act, 1956)
 having its registered Office at)
 28-32, N.G.N. Vaidya Marg, Fort,)
 Mumbai -400 023.) ... Petitioners

Coram: R.J.Kochar J.

Date : 8th August, 2001

UPON the Petition of Voltas International Limited the Petitioner Company abovenamed presented to this Hon'ble Court on 16th day of May 2001 for sanction of the Scheme of Amalgamation of Voltas International Limited (hereinafter referred to as "Transferor Company" or "Petitioner Company") with Voltas Limited (hereinafter referred to as the "Transferee Company") and for other consequential reliefs as mentioned in the Petition AND the said Petition being this day called out for hearing and final disposal and UPON READING the said Petition and the Affidavit of Mr. Subhashchandra Madhukar Bhandarkar Director of the Petitioner Company solemnly affirmed on 16th day of May 2001 verifying the said Petition and UPON READING Affidavit of Shri Pramod Nanalal Vora Sole Proprietor of M/s. Pramodkumar & Co., Advocates and Solicitors dated 2nd day of August , 2001 proving service of Notice of hearing of the Petition upon the Official Liquidator, High Court, Bombay and the, Regional Director, Department of Company Affairs Maharashtra, Mumbai and also on the Creditors of the Petitioner Company whose dues is Rs.1,00,000/- and above AND UPON READING the Order dated ^{day of April} 26th 2001 passed by this Hon'ble Court in Company Application No. 243 of 2001 whereby convening and holding of meeting of the equity shareholders of the Petitioner Company to consider and approve the proposed arrangement embodied in the Scheme of Amalgamation of the Petitioner Company with Voltas Limited was dispensed with in view of the consent given by the shareholders of

the Petitioner Company which is annexed as Exhibit I to the Affidavit in support of the Company Application No. 243 of 2001 dated 20th April, 2001 AND UPON READING the Order dated 26th April 2001 passed by this Hon'ble Court in Company Application No. 243 of 2001 whereby the convening and holding of the meeting of the secured and unsecured creditors of the Petitioner Company to consider and approve the proposed arrangement embodied in the scheme of Amalgamation of the Petitioner Company with Voltas Limited was dispensed with and exempted in view of the fact and circumstances set out in paragraph 19 of the Affidavit in support of the Company Application No. 243 of 2001 AND UPON READING the Report dated 7th day of August 2001 of the Official Liquidator, High Court, Bombay wherein he has opined that the affairs of the Petitioner Company have not been conducted in a manner prejudicial to the interest of its members or to public interest AND UPON HEARING Mr. Pramod Nanalal Vora of M/s. Pramodkumar & Co., Advocates for the Petitioner Company and Mr. M. M. Goswami with Mr. R. K. Sharma Panel Counsel instructed by Mr. R. P. Singh, Company Prosecutor for Regional Director, Department of Company Affairs, Maharashtra Mumbai and submits to the order of the Court and Mr. B. L. Meena of Official Liquidator, High Court, Bombay who also submits to the order of the Court AND no other persons or persons entitled to appear at the hearing of the petition appearing this day either in support of the said Petition or

to show cause against the same AND UPON Mr. Pramodkumar Nanalal Vora Advocate for the Petitioner Company stating that the Transferor Company is wholly owned subsidiary of the Transferee Company and therefore it was not necessary for the Transferee Company to file a separate Petition for sanction of the scheme of Amalgamation AND UPON READING the Judgement of this Court passed by His Lordship Mr. Justice Dr. D.Y. Chandrachud reported in 2001 Company Cases Vol.105 page 16 (Mahaamba Investments Ltd. vs. IDI Ltd.) that the facts of the present case are pari materia with the facts of the case and in view of the above the filing of the separate petition by the Transferee Company is not necessary THAT THIS COURT DOTH HEREBY sanction the arrangement embodied in the scheme of amalgamation of Volta International ~~International~~ Limited the Petitioner Company with Voltas Limited, the Transferee Company as set forth in Exhibit "E" to the said Petition and also in the schedule hereto AND THIS COURT DOTH HEREBY DECLARE THAT the said scheme of amalgamation shall be binding on the Transferor Company and the Transferee Company and also on their respective members/share-holders and creditors AND THIS COURT DOTH ORDER THAT with effect from opening of the business as on 1st day of April 2001 (hereinafter called "The Appointed Day") the entire undertaking and the business of the Transferor Company including all its assets, properties, reserve, surpluses, moveable and immovable assets including free hold land, buildings, plants and machinery,

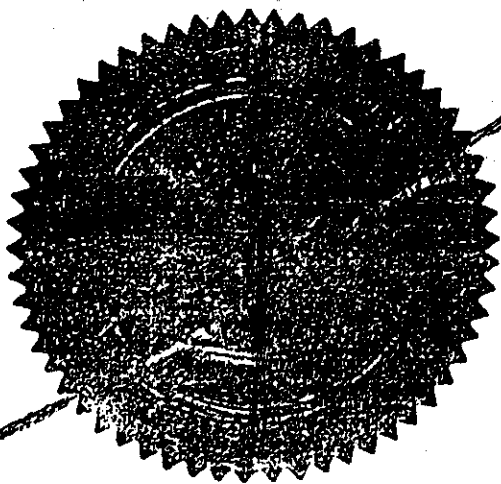
furniture and fixture, vehicles and other equipments, capital work in progress including capital advances, current assets, investments, cash and bank balances, power, authorities, allotments, approvals and consents, licenses, registration, contracts, engagements, arrangements, rights, title interest, benefits, and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in, granted in favour of enjoyed by the Transferor Company including but without being limited to all patents, trademarks, tradenames, and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approval, authorization right to use and avail of telephones, telexes, facsimiles, connection and installation, utilities, electricity and other services, provisions, funds, benefits, of all arrangement and all other interest (all of which are hereinafter collectively referred to "the said undertaking or the said assets") shall without any further act or deed be and the same stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956 as a going concern for the all the estate and interest of the Transferor Company AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all the debts, liabilities, duties and obligations of the Transferor Company shall without any

further act or deed be and the same shall stand transferred to the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956 so as to be the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT all suits, appeals, actions and legal arbitration or other proceedings (hereinafter called the proceedings) by or against the Transferor Company pending and/or arising on or before the day on which this scheme shall finally take effect shall not abate, discontinued or be in anyway prejudicially affected by reason of the implementation of the scheme, and shall be continued and be enforced by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT all contracts, deeds, bonds, agreements, arrangement and other instruments whatsoever to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the appointed day shall be in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if instead of the Transferor Company the Transferee Company had been a party or beneficiary thereto AND THIS COURT DOTH FURTHER ORDERED THAT upon the scheme being effective, in consideration of transfer of and vesting of the undertaking including all assets and liabilities of the Transferor Company in the Transferee Company in terms of the scheme, the entire paid up

share capital in the Transferor Company fully held by the Transferee Company and/or its nominees on the effective date shall ~~be~~ ~~extinguish~~ and shall stand ~~extinguished~~ ~~extinguish~~ and all such equity shares of Transferor Company held by the Transferee Company either in its own name or in the name of its nominees shall be cancelled and shall be deemed to be cancelled on the effective date without any act, or deed and no further shares in lieu thereof will be issued by the Transferee Company to anybody including the share holders of Transferor Company immediately prior to the scheme coming in to effect i.e. effective date AND THIS COURT DOTH FURTHER ORDER THAT on the scheme ~~being~~ ~~effective~~ ~~becoming~~ effective the Transferor Company shall stand dissolved without winding up AND THIS COURT DOTH FURTHER ORDER that the Transferor Company do within 30 days from the date of sealing of the said Order, cause a certified copy the Order sanctioning the Scheme of Amalgamation to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and upon such Certified copy of Order being so delivered, the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place and transfer all the files relating to the Transferor Company as described in the scheme and register with him on the file kept by him in relation to the Transferee Company and files of both the companies as described above shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the liberty is

reserved to the Transferor company and all other persons interested in this petition to apply to this Hon'ble Court herein as and when occasion arise for any direction that may be necessary in regard to the working of the arrangement embodied in the scheme of Amalgamation sanctioned herein and set forth in the schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs.1,500/- (Rupees One Thousand Five Hundred only) each to the Regional Director, Department of Company Affairs, Maharashtra State, Mumbai and the Official Liquidator, High Court, Bombay towards the costs of the Petition WITNESS SHRI BISHESHWAR PRASAD SINGH the Chief Justice at Bombay aforesaid this 8th day of August, 2001.

By the Court,



A. P. K. K. K.
FOR PROTHONOTARY & SENIOR MASTER

M. K. K.
Dated this 19th day of September 2001

**Order SANCTIONING THE SCHEME OF
Amalgamation under Section 391 and 394
Of the Companies Act 1956 drawn on the
Application by M/s. Pramodkumar & Co.,
Advocates for the Petitioner having their
Office at 57-G, Bhupen Chamber, 3rd floor,
9, Dalal Street, Fort, Mumbai 400 023**

SCHEDULE

SCHEDULE

**SCHEME OF AMALGAMATION
OF
VOLTAS INTERNATIONAL LIMITED
WITH
VOLTAS LIMITED**

1. Preamble

This Scheme of Amalgamation provides for the amalgamation of Voltas International Limited, a company incorporated under the Companies Act, 1956 (hereinafter referred to as "the Act" or "the said Act") and having its Registered Office at 28-32, N. G. N. Vaidya Marg, Mumbai - 400 023, Maharashtra with Voltas Limited, also a company incorporated under the Indian Companies Act, 1913 and having its Registered Office at 19, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001, Maharashtra.

2. Definitions

In this Scheme:

- (a) "The Act": means the Companies Act, 1956.
- (b) "The Appointed Date" or "The Appointed Day" means the commencement of the business of the Transferor Company on 1st April, 2001.
- (c) "The Effective Date" means the last of the following dates:
 - (i) the date on which any of the sanctions or orders or approvals or consents or permission or resolutions mentioned hereinafter shall be last obtained or passed; and

- (ii) the date on which a certified copy/copies of the order(s) of the High Court under Sections 391 and 394 of the Companies Act, 1956 are filed with the Registrar of Companies.
- (d) "Scheme" or "Scheme of Amalgamation" means this Scheme of Amalgamation providing for amalgamation of the Transferor Company with the Transferee Company as approved by the Board of Directors of both the Companies, subject to such modifications and/or stipulations as the hon'ble High Court of Judicature at Bombay may provide/stipulate or such alterations/modifications as may be agreed by Transferor Company and the Transferee Company and as may be approved by the hon'ble High Court.
- (e) "Transfer", unless otherwise stated, means the transfer of the assets and the liabilities of the Transferor Company to the Transferee Company by virtue of and under the provisions of this Scheme.
- (f) "The Transferor Company" means Voltas International Limited ("VIL"), a company registered and incorporated under the Companies Act, 1956 and having its Registered Office at 28-32, N. G. N. Vaidya Marg, Mumbai - 400 023, Maharashtra.
- (g) "The Transferee Company" means Voltas Limited ("VL" or "Voltas"), a company registered and incorporated under the Indian Companies Act, 1913 and having its Registered Office at 19, J. N. Heredia Marg, Ballard Estate, Mumbai - 400 001, Maharashtra.

3. Operative date of the Scheme

- (a) This scheme will be operative from the "Appointed Day".
- (b) This scheme although operative from the "Appointed Day", shall take effect finally from the "Effective Date".

4. Share Capital

(a) The authorised, issued, subscribed and paid up share capital of the Transferor Company is as follows:

- (i) The authorised share capital of the Company is Rs. 6,00,00,000/- (Rupees Six crores only) divided into 6,00,000 (Six lakhs) equity shares of Rs. 100/- (Rupees One hundred) each.
- (ii) The issued and subscribed share capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 6,00,000 (Six lacs) equity shares of Rs. 100/- (Rupees One hundred) each.
- (iii) The paid up share capital of the Company is Rs. 6,00,00,000/- (Rupees Six Crores Only) divided into 6,00,000 (Six lacs) equity shares of Rs. 100/- (Rupees One hundred) each fully paid up.

(b) The authorised, issued, subscribed and paid up share capital of the Transferee Company is as follows:

- (i) The authorised share capital of the Company is Rs. 100,00,00,000/- (Rupees One hundred crores) divided into 6,00,00,000 (Six crores) equity shares of Rs. 10/- (Rupees Ten) each and 40,00,000 (Forty lacs) Redeemable Preference Shares of Rs. 100/- (Rupees One hundred) each.
- (ii) The issued and subscribed share capital of the Company is Rs. 33,08,84,740/- (Rupees Thirty-three crores eight lacs eighty-four thousand seven hundred forty) divided into 3,30,88,474 (Three cores thirty lacs eighty-eight thousand four hundred seventy four) equity shares of Rs. 10/- (Rupees Ten) each.
- (iii) The paid up share capital of the Company is Rs. 33,05,39,360/- (Rupees Thirty-three crores five lacs thirty-nine thousand three hundred sixty) divided into 3,30,88,474 (Three cores thirty lacs eighty-eight thousand four hundred seventy four) equity shares of Rs. 10/- (Rupees Ten only) each fully called up with calls in

arrears of Rs. 3,45,380/- (Rupees Three lacs forty five thousand three hundred eighty) thereon.

- (c) The entire paid up share capital of the Transferor Company is held by the Transferee Company either in its own name or in the name of its nominee(s), i.e., the Transferor Company is a wholly-owned subsidiary of the Transferee Company.

5. Transfer of Undertaking

- (a) Assets and properties:

- (i) With effect from the Appointed Day, the entire undertaking and the business of the Transferor Company including all its assets, properties, reserves, surpluses, moveable and immovable assets including freehold land, buildings, plant and machinery, furniture and fixtures, vehicles and other equipments, Capital Work in Progress including Capital Advances, Current Assets, investments, cash and bank balances, power, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in, granted in favour of or enjoyed by the Transferor Company, including but without being limited to all patents, trade marks, trade names and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, easements, advantages, benefits, leases, tenancy rights, ownership flats, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits, of all agreements and all other interest (all of which are hereinafter collectively referred to

as "the said assets") shall without any further act or deed be and the same stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act as a going concern for all the estate and interest of Transferor Company.

- (ii) It is expressly provided that in respect of such of the assets as are moveable in nature or are otherwise capable of transfer only by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company.
- (iii) The transfer/vesting as aforesaid shall be subject to existing charges/hypothecation/mortgage/lien (if any as may be subsisting) over or in respect of the said assets or any part thereof.
- (iv) 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 any Creditors of the Transferor Company, if any, or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

(b) Liabilities and obligations:

- (i) With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company (hereinafter referred to as "the said liabilities") shall also be and stand transferred or

deemed to be transferred, without further act, instrument or deed to the Transferee Company, pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Day, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. However the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and save as hereinafter provided the Transferee Company shall not be obliged to create any further or additional security thereof, after the amalgamation has become effective or otherwise.

- (ii) Loans or other obligations, if any, due between or amongst the Transferor Company and Transferee Company as are not otherwise discharged or liquidated by either of the Company at any time prior to the Effective Date, stand discharged and/or cancelled as on the Effective Date, and shall be of no effect and the Transferor Company or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.

(c) (A) For the purposes of this Scheme, the undertaking of the Transferor Company shall include:

- i) All the properties and assets of the Transferor Company as referred to in sub-clause (a) hereinabove of this clause as on the Appointed Date, and

ii) All the liabilities of the Transferor Company as referred to sub-clause (b) hereinabove of this clause as on the Appointed Date.

(B) Without prejudice to the generality of sub-clause (A) hereinabove, the undertaking of the Transferor Company shall include all rights, privileges, powers and authorities and all properties real, corporeal or incorporeal in possession or reversion, present or contingent of whatsoever nature and wheresoever situate including in particular all licenses and liberties, import quotas or any other entitlement of any nature held and/or applied for including interest, if any, acquired in companies or partnerships in India and/or abroad and all other ancillary or incidental debts, liabilities and duties of the Transferor Company and all other obligations of whatsoever kind including liabilities for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment.

(d) With the transfer to and vesting in the Transferee Company of the undertaking including all the assets and liabilities of the Transferor Company as referred to in this Clause with effect from the Appointed Day, the Transferor Company be amalgamated and/or be deemed to have been amalgamated with the Transferee Company.

6. Contracts, Deeds, Bonds and other Instruments

(a) Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Appointed Day, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue

and/or execute deeds, writings, or confirmation or enter into any Tripartite Arrangement, confirmations or notations to which the Transferor Company, if necessary, will also be a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.

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

7. Legal Proceedings

All suits, appeals, actions and legal or arbitration or other proceedings, (hereinafter called "the proceedings") by or against the Transferor Company pending and/or arising on or before the date on which this Scheme shall finally take effect shall not abate, be discontinued or be in any way prejudicially affected by reason of the implementation of this Scheme, and shall be continued and be enforced by or against the Transferee Company as effectively as if the same had been pending and/or arising against the Transferee Company in the same manner or to the same extent as would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

8. Conduct of Business by Transferor Company till Effective Date.

- (a) With effect from the Appointed Day upto and including the date on which this Scheme finally takes effect (viz. the Effective Date):
- (i) the Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand

possessed of all the said assets for and on account of and in trust for the Transferee Company.

(ii) all the profits and incomes accruing and arising to the Transferor Company or expenditures or losses incurred or arising by the Transferor Company shall for all purposes accrue and be treated and be deemed to accrue as the profits or incomes or expenditures or losses of the Transferee Company, as the case may be.

(b) The Transferor Company hereby undertakes from the Appointed Day upto and including the Effective Date:

- (i) to carry on its business with reasonable diligence, business prudence and not, without the prior written consent of the Transferee Company to alienate, charge or otherwise deal with or dispose off the said undertaking or any part thereof (except in the ordinary course of business) nor to undertake any new business or a substantial expansion of its existing business;
- (ii) not to undertake any additional financial commitments of any nature whatsoever, borrow any amounts, nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries except in the ordinary course of business save as expressly permitted by this Scheme or with the prior written consent of the Transferee Company.
- (iii) not to vary the terms and conditions of employment of its employees.

9. Employees of the Transferor Company

(a) All employees of the Transferor Company in service on the date immediately preceding the date on which this Scheme finally takes effect i.e. the Effective Date shall become the employees of the Transferee Company on such date

without any break or interruption in service and on the basis of continuity of service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Company as on the said date. The position, rank and designation of the employees would be decided by the Transferee Company.

- (b) It is expressly provided that as far as the Provident Fund, Gratuity Fund, Superannuation Fund or any other fund or Scheme created or existing for the benefit of the employees of the Transferor Company are concerned, upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever related to the administration, management or operation of such Funds or Schemes or in relation to the obligation to make contributions to the said Funds in accordance with the provisions of such Funds or such Schemes as per the terms provided in the respective Trust Deeds. It is the end and intent that all the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or such Schemes shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Company will be treated as having been continued for the purpose of the aforesaid Funds or Schemes and if necessary the names of the aforesaid Funds or Schemes will be suitably changed. Such Funds or Schemes of the Transferor Company may be amalgamated with similar Funds or Schemes of the Transferee Company if the Transferee Company considers so desirable or deems fit for the smooth administration, management and operation and uniformity of such Funds or Schemes, so however, that such Funds or Schemes do not become less favourable to the employees of the Transferor Company with reference to those on the date preceding the Effective Date.

10. Consideration for Transfer – Share Capital of Transferor Company to be extinguished.

Upon the Scheme becoming effective, in consideration of the transfer of and vesting of the undertaking including all assets and liabilities of the Transferor

Company in the Transferee Company in terms of this Scheme, the entire paid up Share Capital in the Transferor Company fully held by the Transferee Company and/or its nominee(s) on the Effective Date shall be extinguished and shall stand extinguished and all such equity shares of Transferor Company held by the Transferee Company either in its own name or in the name of its nominee(s) shall be cancelled and shall be deemed to be cancelled on the Effective Date without any act or deed and no further shares in lieu thereof will be issued by the Transferee Company to any body including the shareholders of Transferor Company immediately prior to the Scheme coming into effect, i.e., Effective Date.

11. Dividends, profits, bonus / rights shares

- (a) The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends prior to the Effective Date in respect of their respective profits/earnings upto the Effective Date.
- (b) The Transferor Company and the Transferee Company shall not issue or allot any rights shares or bonus shares out of its authorised or unissued share capital for the time being as also not make any change in their respective capital structure either by increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, reorganisation or in any manner whatsoever from the Appointed Date upto and including the Effective Date.

12. Transferor Company to be dissolved without winding up

On amalgamation, i.e., on the Scheme becoming finally effective, the Transferor Company shall be dissolved without winding up subject to an order being passed by the hon'ble High Court of judicature at Bombay under Section 394 of the Act.

13. Application / Petition to the High Court

On the Scheme being agreed by the requisite majorities of the members of the Transferor Company and of the members of the Transferee Company:

- (a) The Transferor Company shall with all reasonable despatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for the dissolution of the Transferor Company without winding up under the provisions of law, and
- (b) The Transferee Company shall also, if required and need be, with all reasonable despatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law, for the purpose of obtaining an Order or Orders under Sections 391 and 394 of the Act, for giving effect to the Scheme.

14. Modifications and Settling of Doubts / difficulties

- (a) The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) acting jointly or any Committee(s) thereof or any person or persons duly authorised by them respectively may assent from time to time on behalf of all concerned to any modifications or amendments of this Scheme or of any conditions or limitations which the Court and/or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect.
- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of the Transferor Company or the Transferee Company as the case may be may give and are authorised to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise.

15. Scheme conditional on approvals / sanctions

This Scheme is specifically conditional upon and subject to:

- (a) the sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities/institutions concerned being obtained and granted as regards to any of the matters relating to the Scheme in respect of which such sanction or approval is required.
- (b) the approval of and agreement to the Scheme by the requisite majorities of such classes of persons of the Transferor Company and the Transferee Company as may be directed by the Hon'ble High Court of Judicature at Bombay on the applications made for directions under Section 391 of the said Act for calling meetings and necessary resolutions being passed under the said Act for the purpose.
- (c) the sanctions of the Hon'ble High Court of Judicature at Bombay being obtained under Sections 391 and 394 and other applicable provisions of the said Act on behalf of the Transferor Company and if so required and necessary, also on behalf of the Transferee Company.
- (d) such other sanctions or approvals or orders as may be necessary or required by law in respect of the Scheme being obtained.

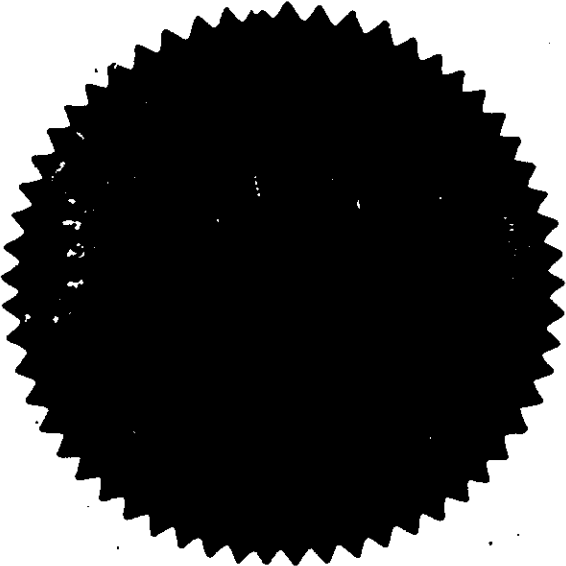
16. When the Scheme becomes void

In the event of any of the said sanctions and approvals referred to in the preceding Clause 15 above not being obtained and/or the Scheme not being sanctioned by the High Court and/or the Order or Orders not being passed as aforesaid before 31st March, 2002 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by its Directors (and which the Board of Directors of both the Companies are hereby empowered and authorised to agree to and extend from time to time without any limitations), the Scheme or arrangements shall become null and void and stand revoked, cancelled and be of no effect, and in that event no rights and liabilities shall accrue to or be incurred inter se by the parties in terms of this Scheme save and

except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

17. Costs, Charges and Expenses

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



CERTIFIED TO BE A TRUE COPY
This 20th day of Sept 1901

for Prothonotary and Senior Master
BBJ

Handwritten signature
(Circular stamp)

21-7-01

HIGH COURT
O. O. C. J.
COMPANY PETITION NO.528 OF 2001
CONNECTED WITH
COMPANY APPL. NO. 243 OF 2001

In the matter of Companies Act, 1956
And

In the matter of M/s. Voltas
International Limited;

And

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

And

In the matter of amalgamation of
Voltas International Limited with
Voltas Limited.

M/s. Voltas International Limited

Petitioners

CERTIFIED COPY OF

ORDER SANCTIONING THE SCHEME
OF AMALGAMATION

Dated this 8th day of August, 2001

Filed this 13th day of September 2001.

21-7-01
Approved on *18-9-2001*
By *White*
Filed by *P.V.*
On *19-9-2001*

F.C. Panel on - 20/9/01

Approved on *10-9-01*
Enrolled on *20-9-01*
By *B.B. Tadar*
Filed by *P.P.*
On *20-9-2001*
Ready on *20 SEP 2001*
Delivered on *21 SEP 2001*

M/s. Pramodkumar & Co
Advocates for the Petitioners
57-C, Bhupen Chamber
3rd floor, 9, Dalal Street,
Fort, Mumbai 400 023.

20 SEP 2001

Pramodkumar & Co.

102

Certified Copy Rs. : 18-00
Additional Rs. : 6-00
Total Rs. : 24-00

23727/02
2007

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 668 OF 2002
CONNECTED WITH
COMPANY APPLICATION NO. 255 OF 2002

In the matter of Companies Act, 1956;

And

In the matter of M/s. Virat Investment
Company Limited.

And

In the matter of Section 391 and 394 of the
Companies Act, 1956.

And

In the matter of ^{Scheme of} Amalgamation of Virat
Investment Company Limited ^{and Voltas Systems Limited} with Voltas
Limited. A

And

In the matter of ^{Scheme of} Amalgamation of Virat
Investment Company Limited and Voltas
Systems Limited with Voltas Limited. A

M/s. Virat Investment Company Limited)
a Company incorporated under the)
provisions of Companies Act, 1956)
having its registered Office at Voltas House)
"A", Dr. Babasaheb Ambedkar Road,)
Chinchpokli, Mumbai -400 033.) ... Petitioners

Coram: S. J. Vazifdar J.

Date : 5th September, 2002 A

UPON the Petition of Virat Investment Company Limited
the Petitioner Company abovenamed presented to this Hon'ble

Court on 1st day of July, 2002 for sanction of the Scheme of

Amalgamation of Virat Investment Company Limited (hereinafter

referred to as ^{First} "Transferor Company" or "Petitioner Company") / ^{and} Voltas Systems Limited the 2nd Transferor Company with Voltas Limited (hereinafter referred to as the "Transferee

Company") and for other consequential reliefs as mentioned in the

Petition AND the said Petition being this day called out for

hearing and final disposal ^{AND} UPON READING the said Petition

and the Affidavit of Mr. Banshidhar Rawatmal Mehta, Director of

the Petitioner Company solemnly affirmed on 28th day of June,

2002 verifying the said Petition and UPON READING Affidavit

of Shri Pramod Nanalal Vora, Sole Proprietor of M/s.

Pramodkumar & Co., Advocates and Solicitors for the Petitioner

Company dated 29th day of July, 2002 proving service of Notice

of hearing of the Petition upon the Official Liquidator, High Court,

Bombay and the, Regional Director, Department of Company

Affairs Maharashtra, Mumbai AND UPON READING the Order

dated 12th day of July, 2002 passed by this Hon'ble Court in

Company Petition No. 668 of 2002 whereby publication of Notice

of the date of hearing of the Petition in News Papers and in the

Maharashtra Government Gazette was dispensed with in view of

the averment made in paragraphs 22 and 24 (I) of the petition

AND UPON READING the Order dated 13th day of June, 2002

passed by this Hon'ble Court in Company Application No. 255 of

2002 whereby convening and holding of meeting of the equity

shareholders of the Petitioner company to consider and approve

the proposed arrangement embodied in the Scheme of

Amalgamation of Virat Investment Company Limited, the

Petitioner Company with Voltas Limited the Transferee Company was dispensed with in view of the consent given by the shareholders of the Petitioner Company which is annexed as Exhibit 1 to the Affidavit in support of the Company Application No. 255 of 2002 AND the convening and holding of the meeting of the ~~xxxxxx~~ creditors of the Petitioner Company to consider and approve the proposed arrangement embodied in the scheme of Amalgamation of Petitioner Company with the Transferee Company was dispensed with in view of the fact and circumstances set out in paragraph 19 of the Affidavit in support of the Company Application No. 255 of 2002, stating that Petitioner Company has no Trade Creditors as on the date of Application and Petitioner Company also gave undertaking to give notice of hearing of Petition to creditors if any, and publish the same in news papers AND UPON READING the Report dated 4th day of September, 2002 of the Official Liquidator, High Court, Bombay wherein he has opined that the affairs of the Petitioner Company have not been conducted in a manner prejudicial to the interest of its members or to public interest AND UPON READING the Affidavit dated 5th day of September, 2002 of Mr. Chakradhara Paik, Regional Director, Western Region, Department of Company Affairs, stating that the scheme is not prejudicial to the interest of Creditors or shareholders of the Petitioner Company AND UPON HEARING Mr. Virag V. Tulzapurkar instructed by M/s. Pramodkumar & Co., Advocates for the Petitioner Company AND Mr. C.J.Joy with Mr. D. A. Dube, Panel Counsel instructed by Mr. T. C. Kaushik for Regional Director, Department of Company

Affairs, Maharashtra Mumbai who submits to the order of the Court and Mr. S. R. Kom, the Official Liquidator, High Court, Bombay who also submits to the order of the Court AND no other person or persons entitled to appear at the hearing of the petition appearing this day either in support of the said Petition or to show cause against the same ^{AND} THIS COURT DOTH HEREBY sanction the arrangement embodied in the scheme of amalgamation of Virat Investment Company Limited, the Petitioner Company with Voltas Limited the Transferee Company as set forth in Exhibit "G" to the said Petition and also in the schedule hereto AND THIS COURT DOTH HEREBY DECLARE THAT the said scheme of amalgamation shall be binding on the Transferor Company and the Transferee Company and also on their respective members/share holders and creditors AND THIS COURT DOTH ORDER THAT with effect from opening of the business as on 1st day of April, 2002 (hereinafter called "The Appointed Day") the entire undertaking and the business of the Petitioner Company including all its assets, reserves, surpluses, moveable and ~~immovable~~ ^{immoveable} assets including plant and machinery, furniture and fixture, stock in trade, current assets, investments, cash and bank balances, power, authorities, allotments, approvals and consents, licenses, registration, contracts, engagements, arrangements, rights, title interest, benefits, and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in, granted in favour of or enjoyed by the Petitioner Company ~~including~~ but without being limited to all patents, trademarks, trade names, and other industrial

rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, advantages, benefits, leases, quota rights; permits, approval, authorization right to use and avail of telephones, telexes, facsimiles, connection and installation, utilities, electricity and other services, provisions, funds, benefits, of all arrangement and all other interest (all of which are hereinafter collectively referred to as "the said assets") shall without any further act or deed be and the same stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956 as a going concern for the all the estate and interest of the Petitioner Company AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all the debts, liabilities, duties and obligations of the Petitioner Company shall also ^{be} stand transferred or deemed to be transferred, without further act, instrument or deed to the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956 so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT all suits, appeals, actions and legal arbitration or other proceedings (hereinafter called the proceedings) by or against the Petitioner Company pending and/or arising on or before the day on which this scheme shall finally take effect shall not abate, discontinued or be in anyway prejudicially affected by reason of the implementation of the scheme, and shall be continued and be enforced by or against the Transferee Company AND THIS

- 6 -

COURT DOTH FURTHER ORDER THAT all contracts, deeds, bonds, agreements, arrangement and other instruments whatsoever to which the Petitioner Company is a party or to the benefit of which the Petitioner Company may be eligible and which are subsisting or having effect immediately before the appointed day shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if instead of the Petitioner Company the Transferee Company had been a party or beneficiary thereto AND

THIS COURT DOTH FURTHER ORDER THAT upon the ~~being~~ **becoming** scheme ~~being~~ effective, in consideration of transfer of and vesting of the undertaking including all assets and liabilities of the Petitioner Company in the Transferee Company in terms of the scheme, the entire paid up share capital in the Petitioner Company fully held by the Transferee Company and/or jointly with its nominees on the effective date shall be extinguish and shall stand extinguish and all such equity shares of Petitioner Company held by the Transferee Company either in its own name or in the name of its nominees shall be cancelled and shall be deemed to be cancelled on the effective date without any act, or deed and no further shares in lieu thereof will be issued by the Transferee Company to anybody including the share holders of Petitioner Company immediately prior to the scheme coming in to effect i.e. effective date AND THIS COURT DOTH FURTHER ORDER

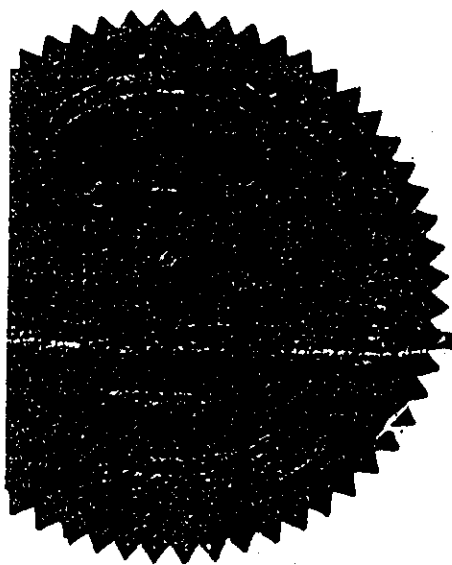
becoming

THAT on the scheme ~~being~~ effective the Petitioner Company shall stand dissolved without winding up AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the date of sealing of Order, cause a certified copy of the Order sanctioning the Scheme of Amalgamation to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and upon such Certified copy of Order being so delivered, the Petitioner Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place and transfer all the files relating to the Petitioner Company as described in the scheme and register with him on the file kept by him in relation to the Transferee Company and files of both the companies as described above shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the liberty is reserved to the Petitioner company and all other persons interested in this petition to apply to this Hon'ble Court herein as and when occasion arise for any direction that may be necessary in regard to the working of the arrangement embodied in the scheme of Amalgamation sanctioned herein and set forth in the schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs.2,500/- (Rupees Two Thousand Five Hundred only) each to the Regional Director, Department of Company Affairs, Maharashtra State, Mumbai and the Official Liquidator, High Court, Bombay towards the costs of

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the Petition WITNESS SHRI GULABRAO DEVRAO PATIL,
the Acting Chief Justice at Bombay aforesaid this 5th day of
September, 2002.

By the Court,



[Handwritten signature]

FOR PROTHONOTARY & SENIOR MASTER

[Handwritten signature]

Sealer

Dated this 30th day of September 2002.

Order SANCTIONING THE SCHEME OF)
Amalgamation under Section 391 and 394)
Of the Companies Act 1956 drawn on the)
Application by M/s. Pramodkumar & Co.,)
Advocates for the Petitioner having their)
Office at 57-G, Bhupen Chamber, 3rd floor,)
9, Dalal Street, Fort, Mumbai 400 023)

SCHEDULE

SCHEDULE

SCHEME OF AMALGAMATION
OF
VIRAT INVESTMENT COMPANY LIMITED
AND
VOLTAS SYSTEMS LIMITED
WITH
VOLTAS LIMITED

1. Preamble

This Scheme of Arrangement between Virat Investment Company Limited, a company incorporated under the Companies Act, 1956 (hereinafter referred to as "the Act" or "the said Act") and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra and its members and Voltas Systems Limited, a company incorporated under the Companies Act, 1956 (hereinafter referred to as "the Act" or "the said Act") and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra and its members provides for the amalgamation of Virat Investment Company Limited and Voltas Systems Limited with Voltas Limited, also a company incorporated under the Indian Companies Act, 1913 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra, pursuant to the relevant provisions of the Companies Act, 1956.

2. Definitions

In this Scheme:

- (a) "The Act": means the Companies Act, 1956.



- (b) "The Appointed Date" or "The Appointed Day" means the commencement of the business of the Transferor Companies on 1st April, 2002.
- (c) "The Effective Date" means the last of the following dates:
- (i) the date on which any of the sanctions or orders or approvals or consents or permission or resolutions mentioned hereinafter shall be last obtained or passed; and
 - (ii) the date on which a certified copy/copies of the order(s) of the High Court under Sections 391 and 394 of the Companies Act, 1956 sanctioning the Scheme and vesting the undertaking including the assets, liabilities, rights, duties, obligations and the like of the Transferor Companies in the Transferee Company are filed with the Registrar of Companies.
- (d) "Scheme" or "Scheme of Amalgamation" means this Scheme of Amalgamation providing for amalgamation of the Transferor Companies with the Transferee Company as approved by the Board of Directors of both the Transferor Companies, as also of the Transferee Company subject to such modifications and/or stipulations as the hon'ble High Court of Judicature at Bombay may provide/stipulate or such alterations/modifications as may be agreed by Transferor Companies and the Transferee Company and as may be approved by the hon'ble High Court.
- (e) "Transfer", unless otherwise stated, means the transfer and vesting the undertaking including the assets, liabilities, rights, duties obligations and the like of the Transferor Companies to the Transferee Company by virtue of and under the provisions of this Scheme.



- (f) "The Transferor Companies" mean Virat Investment Company Limited ("VIRAT"), and Voltas Systems Limited ("VOLTAS SYSTEMS"), both jointly and severally.
- (g) "The Transferee Company" means Voltas Limited ("Voltas"), a company registered and incorporated under the Indian Companies Act, 1913 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra.
- (h) "VIRAT" means Virat Investment Company Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road Chinchpokli, Mumbai - 400 033, Maharashtra.
- (i) "VOLTAS SYSTEMS" means Voltas Systems Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra.

3. Operative date of the Scheme

- (a) This scheme will be operative from the "Appointed Day".
- (b) This scheme although operative from the "Appointed Day", shall take effect finally from the "Effective Date".

4. Share Capital

- (a) The authorised, issued, subscribed and paid up share capital of the Transferor Companies is as follows:

1. VIRAT

- (i) The authorised share capital of the Company is Rs. 1,50,00,000/- (Rupees One crore fifty lacs only) divided into 1,50,000 (One lac fifty thousand) equity shares of Rs. 100/- (Rupees One hundred) each.



- (ii) The issued, subscribed and paid-up share capital of the Company is Rs.1,49,00,000/- (Rupees One Crore Forty Nine Lacs Only) divided into 1,49,000 (One lac forty nine thousand) equity shares of Rs. 100/- (Rupees One hundred) each.

2. VOLTAS SYSTEMS

- (i) The authorised share capital of the company is Rs.1,00,00,000/-(Rupees One Crore Only) divided into 18 (Eighteen) 12% Non-Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One hundred) each and 9,99,820 (Nine lacs ninety nine thousand eight hundred twenty) Equity Shares of Rs.10/- (Rupees Ten) each.
- (ii) The issued, subscribed and paid-up share capital of the Company is Rs.10,00,000/-(Rupees Ten Lacs only) divided into 20 (Twenty) Equity Shares of Rs.10/- (Rupees Ten) each (fully paid up) and 4,99,800 (Four lacs Ninety nine thousand eight hundred) Equity Shares of Rs.10/- (Rupees Ten) each on which Rs.2/- (Rupees Two) per share called and paid up.
- (b) The authorised, issued, subscribed and paid up share capital of the Transferee Company(Voltas) is as follows:
- (i) The authorised share capital of the Company is Rs. 100,00,00,000/- (Rupees One hundred crores) divided into 6,00,00,000 (Six crores) equity shares of Rs. 10/- (Rupees Ten) each and 40,00,000 (Forty lacs) Redeemable Preference Shares of Rs. 100/- (Rupees One hundred) each.



- (ii) The issued and subscribed share capital of the Company is Rs. 33,08,84,740/- (Rupees Thirty-three crores eight lacs eighty-four thousand seven hundred forty) divided into 3,30,88,474 (Three crores thirty lacs eighty-eight thousand four hundred seventy four) equity shares of Rs. 10/- (Rupees Ten) each.
- (iii) The paid up share capital of the Company is Rs. 33,05,39,360/- (Rupees Thirty-three crores five lacs thirty-nine thousand three hundred sixty) divided into 3,30,88,474 (Three crores thirty lacs eighty-eight thousand four hundred seventy four) equity shares of Rs. 10/- (Rupees Ten only) each fully called up with calls in arrears of Rs. 3,45,380/- (Rupees Three lacs forty five thousand three hundred eighty) thereon.
- (c) The entire paid up share capital of both the Transferor Companies is held by the Transferee Company either in its own name or in the name of its nominee(s), i.e., both the Transferor Companies are wholly-owned subsidiaries of the Transferee Company.

5. Transfer of Undertaking

(a) Assets and properties:

- (i) With effect from the Appointed Day, the entire undertaking and the business of the Transferor Companies including as is relevant and applicable in relation to each Transferor Company, all its assets, reserves, surpluses, moveable and immovable assets including plant and machinery, furniture and fixtures, stock in trade, Current Assets, investments, cash and bank balances, power, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in, granted in favour of



or enjoyed by the Transferor Companies and each such Transferor Company, including but without being limited to all patents, trade marks, trade names and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, advantages, benefits, leases, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits, of all agreements and all other interest (all of which are hereinafter collectively referred to as "the said assets") shall without any further act or deed be and the same stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act as a going concern for all the estate and interest of Transferor Companies.

- (ii) It is expressly provided that in respect of such of the assets as are moveable in nature or are otherwise capable of transfer only by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Companies.
- (iii) The transfer/vesting as aforesaid shall be subject to existing charges/hypothecation/mortgage/lien (if any as may be subsisting) over or in respect of the said assets or any part thereof.
- (iv) 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 any Creditors of the Transferor Companies, if any, or in favour of any other party to any contract or arrangement to which the Transferor Companies are party or any writings as may be necessary to be executed in order to give



formal effect to the ¹¹⁶above 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 Companies and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Companies to be carried out or performed.

(b) Liabilities and obligations:

- (i) With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Companies (hereinafter referred to as "the said liabilities") shall also be and stand transferred or deemed to be transferred, without further act, instrument or deed to the Transferee Company pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Day, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. However the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and save as hereinafter provided the Transferee Company shall not be obliged to create any further or additional security thereof, after the amalgamation has become effective or otherwise.



- (ii) Loans or other obligations, if any, due between or amongst the Transferor Companies and Transferee Company as are not otherwise discharged or liquidated by either of the Company at any time prior to the Effective Date, stand discharged and/or cancelled as on the Effective Date, and shall be of no effect and the Transferor Companies or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.
- (c) (A) For the purposes of this Scheme, the undertaking of the Transferor Companies shall include:
- i) All the assets of the Transferor Companies as referred to in sub-clause (a) hereinabove of this clause as on the Appointed Date, and
 - ii) All the liabilities of the Transferor Companies as referred to sub-clause (b) hereinabove of this clause as on the Appointed Date.
- (B) Without prejudice to the generality of sub-clause (A) hereinabove, the undertaking of the Transferor Companies shall include all rights, privileges, powers and authorities and all properties real, corporeal or incorporeal in possession or reversion, present or contingent of whatsoever nature and wheresoever situate including in particular all licenses and liberties, import quotas or any other entitlement of any nature held and/or applied for including interest, if any, acquired in companies or partnerships in India and/or abroad and all other ancillary or incidental debts, liabilities and duties of the Transferor Companies and all other obligations of whatsoever kind including liabilities, if any, for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment.



- (d) With the transfer to and vesting in the Transferee Company of the undertaking including all the assets and liabilities of the Transferor Companies as referred to in this Clause with effect from the Appointed Day, the Transferor Companies be amalgamated and/or be deemed to have been amalgamated with the Transferee Company.

6. Contracts, Deeds, Bonds and other instruments

- (a) Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Companies are party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect immediately before the Appointed Day, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings, or confirmations or enter into any Tripartite Arrangement, confirmations or notations to which the Transferor Companies, if necessary, will also be a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.
- (b) The transfer of the said assets and the said liabilities of the Transferor Companies to the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets and the said liabilities already concluded by the Transferor Companies on or after the Appointed Day.



All suits, appeals, actions and legal or arbitration or other proceedings, (hereinafter called "the proceedings") by or against the Transferor Companies pending and/or arising on or before the date on which this Scheme shall finally take effect shall not abate, be discontinued or be in any way prejudicially affected by reason of the implementation of this Scheme, and shall be continued and be enforced by or against the Transferee Company as effectively as if the same had been pending and/or arising against the Transferee Company in the same manner or to the same extent as would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

8. Conduct of Business by Transferor Companies till Effective Date.

(a) With effect from the Appointed Day upto and including the date on which this Scheme finally takes effect (viz. the Effective Date):

(i) the Transferor Companies shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the said assets for and on account of and in trust for the Transferee Company.

(ii) all the profits and incomes accruing and arising to the Transferor Companies or expenditures or losses incurred or arising by the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditures or losses of the Transferee Company, as the case may be.



(b) The Transferor Companies hereby undertake from the Appointed Day upto and including the Effective Date:

- (i) to carry on its business with reasonable diligence, business prudence and not, without the prior written consent of the Transferee Company to alienate, charge or otherwise deal with or dispose off the said undertaking or any part thereof (except in the ordinary course of business) nor to undertake any new business or a substantial expansion of its existing business;
- (ii) not to undertake any additional financial commitments of any nature whatsoever, borrow any amounts, nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments except in the ordinary course of business save as expressly permitted by this Scheme or with the prior written consent of the Transferee Company.
- (iii) not to vary the terms and conditions of employment of its employees, if any.

9. Employees of the Transferor Companies

All employees of the Transferor Companies in service on the date immediately preceding the date on which this Scheme finally takes effect i.e. the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on the basis of continuity of service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Companies as on the said date. The position, rank and designation of the employees would be decided by the Transferee Company.



10. Consideration for Transfer – Share Capital of Transferor Companies to be extinguished.

Upon the Scheme becoming effective, in consideration of the transfer of and vesting the undertaking including all assets and liabilities of the Transferor Companies in the Transferee Company in terms of this Scheme, the entire paid up Share Capital in the Transferor Companies fully held by the Transferee Company and/or its nominee(s) on the Effective Date shall be extinguished and shall stand extinguished and all such equity shares of Transferor Companies held by the Transferee Company either in its own name or in the name of its nominee(s) shall be cancelled and shall be deemed to be cancelled on the Effective Date without any act or deed and no further shares in lieu thereof will be issued by the Transferee Company to any body including the shareholders of Transferor Companies immediately prior to the Scheme coming into effect, i.e., Effective Date.

11. Dividends, profits, bonus / rights shares

- (a) The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends prior to the Effective Date in respect of their respective profits/earnings upto the Effective Date.
- (b) The Transferor Companies shall not issue or allot any rights shares or bonus shares out of its authorised or unissued share capital for the time being as also not make any change in their respective capital structure either by increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, reorganisation or in any manner whatsoever from the Appointed Date upto and including the Effective Date.



12. Transferor Companies to be dissolved without winding up

On amalgamation, i.e., on the Scheme becoming finally effective, the Transferor Companies shall be dissolved without winding up subject to an order being passed by the hon'ble High Court of Judicature at Bombay under Section 394 of the Act.

13. Application/Petition to the High Court

On the Scheme being agreed by the requisite majorities of the members of the Transferor Companies and of the members of the Transferee Company if and as may be required –

- (a) The Transferor Companies shall with all reasonable despatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for the dissolution of the Transferor Companies without winding up under the provisions of law, and
- (b) The Transferee Company shall also, if required, with all reasonable despatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law, for the purpose of obtaining an Order or Orders under Sections 391 and 394 of the Act, for giving effect to the Scheme.

14. Modifications and Settling of Doubts / difficulties

- (a) The Transferor Companies (by its Board of Directors) and the Transferee Company (by its Board of Directors) acting jointly or any Committee(s) thereof or any person or persons duly authorised by them respectively may



assent from time to time on behalf of all concerned to any modifications or amendments of this Scheme or of any conditions or limitations which the Court and/or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect.

- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of the Transferor Companies or the Transferee Company as the case may be may give and are authorised to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise.

15. Scheme conditional on approvals/sanctions

This Scheme is specifically conditional upon and subject to:

- (a) the sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities/institutions concerned being obtained and granted as regards to any of the matters relating to the Scheme in respect of which such sanction or approval is required.
- (b) the approval of and agreement to the Scheme by the requisite majorities of such classes of persons of the Transferor Companies and the Transferee Company, if so required, as may be directed by the Hon'ble High Court of Judicature at Bombay on the applications made for directions under Section 391 of the said Act for calling meetings and necessary resolutions being passed under the said Act for the purpose.
- (c) the sanctions of the Hon'ble High Court of Judicature at Bombay being obtained under Sections 391 and 394 and other applicable provisions of the said Act if so required on behalf of the Transferor Companies and the Transferee Company.



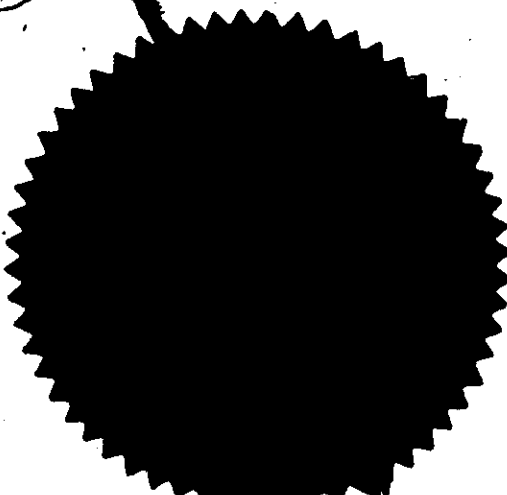
(d) such other sanctions or approvals or orders as may be necessary or required by law in respect of the Scheme being obtained.

16. When the Scheme becomes void

In the event of any of the said sanctions and approvals referred to in the preceding Clause 15 above not being obtained and/or the Scheme not being sanctioned by the High Court and/or the Order or Orders not being passed as aforesaid before 31st March, 2003 or within such further period or periods as may be agreed upon between the Transferor Companies and the Transferee Company by its Directors (and which the Board of Directors of all the Companies are hereby empowered and authorised to agree to and extend from time to time without any limitations), the Scheme or arrangements shall become null and void and stand revoked, cancelled and be of no effect, and in that event no rights and liabilities shall accrue to or be incurred inter se by the parties in terms of this Scheme save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

17. Costs, Charges and Expenses

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



CERTIFIED TO BE A TRUE COPY
This 3rd day of 30 Oct 2003
[Signature]
Sr. Notary and Senior Clerk

HIGH COURT
O. O. C. J.
COMPANY PETITION NO. 668 OF 2002
CONNECTED WITH
COMPANY APPLICATION NO. 255 OF 2002

In the matter of Companies Act, 1956
And

In the matter of M/s. Virat
Investment Company Limited;

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

And scheme of
Virat Investment Company Limited and
with Voltas Limited Systems Ltd. with
Voltas Ltd.

And scheme of
In the matter of/amalgamation of
Virat Investment Company Limited
and Voltas Systems Limited with
Voltas Limited.

M/s. Virat Investment Company Limited
..Petitioners

fr. part
on 3-10-2002

Applied on 9.9.2002
Engrossed on 3-10-2002
Section Writer on
Folios 24 pages
Examined by (Signature)
Compared with
Ready on 3 OCT. 2002
Delivered on

CERTIFIED COPY OF

ORDER SANCTIONING THE SCHEME
OF AMALGAMATION

Dated this 5th day of September, 2002

Filed this 30th day of Sept. 2002

Applied on 12-9-2002
Engrossed on 30-9-2002
Section Writer (Signature)
Folios
Examined by (Signature)
Compared with (Signature)
Ready on 30-9-2002
Delivered on

M/s. Pramodkumar & Co
Advocates for the Petitioners
57-G, Bhupen Chamber,
3rd floor, 9, Dalal Street,
Fort, Mumbai-400 023

18 OCT 2002

Certified Copy Rs. : 17-25
 Additional Rs. : 6-00

Total Rs. : 23-25

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
 ORDINARY ORIGINAL CIVIL JURISDICTION
 COMPANY PETITION NO. 669 OF 2002
 CONNECTED WITH
 COMPANY APPLICATION NO. 256 OF 2002

In the matter of Companies Act, 1956;

And

In the matter of M/s. Voltas Systems Limited.

And

In the matter of Section 391 and 394 of the
 Companies Act, 1956.

And

Scheme of
 In the matter of Amalgamation of M/s. Voltas
 Systems Limited with Voltas Limited. N

And

Scheme of
 In the matter of Amalgamation of Virat
 Investment Company Limited and Voltas
 Systems Limited with Voltas Limited. N

M/s. Voltas Systems Limited)
 a Company incorporated under the)
 provisions of Companies Act, 1956)
 having its registered Office at Voltas House)
 "A", Dr. Babasaheb Ambedkar Road,)
 Chinchpokli, Mumbai -400 033.) ... Petitioners

Coram: S. J. Vazifdar J.

Date : 5th September, 2002

UPON the Petition of Voltas Systems Limited the Petitioner Company abovenamed presented to this Hon'ble Court on 1st day of July, 2002 for sanction of the Scheme of Amalgamation of Voltas Systems Limited (hereinafter referred to as "Transferor Company or Petitioner Company") with Voltas Limited (hereinafter referred to as the "Transferee Company") and for

other consequential reliefs as mentioned in the Petition AND the said Petition being this day called out for hearing and final disposal and UPON READING the said Petition and the Affidavit of Mr. Bir Davinder Singh, Director of the Petitioner Company solemnly affirmed on 28th day of June, 2002 verifying the said Petition AND UPON READING Affidavit of Shri Pramod Nanalal Vora, Sole Proprietor of M/s. Pramodkumar & Co., Advocates and Solicitors for the Petitioner Company dated 29th day of July, 2002 proving service of Notice of hearing of the Petition upon the Official Liquidator, High Court, Bombay and the, Regional Director, Department of Company Affairs Maharashtra, Mumbai AND UPON READING the Order dated 12th day of July, 2002 passed by this Hon'ble Court in Company Petition No. 669 of 2002 whereby publication of Notice of the date of hearing of the Petition in News Papers and in the Maharashtra Government Gazette was dispensed with in view of the averment made in paragraphs 22 and 24 (I) of the Petition AND UPON READING the Order dated 13th day of June, 2002 passed by this Hon'ble Court in Company Application No. 256 of 2002 whereby convening and holding of meeting of the equity shareholders of the Petitioner Company to consider and approve the proposed arrangement embodied in the Scheme of Amalgamation of Voltas Systems Limited, the Transferor Company with Voltas Limited the Transferee Company was dispensed with in view of the consent given by the shareholders of the Petitioner Company which is annexed as Exhibit I to the Affidavit in support of the Company Application No. 256 of 2002 AND the convening and holding of the meeting of the ~~xxxxxx~~ ~~xxxxxx~~ creditors of the Petitioner Company to consider and approve the proposed arrangement embodied in the scheme of Amalgamation of Petitioner Company with the Transferee Company was dispensed with in view of the fact and circumstances set out in paragraph 19 of the Affidavit in support of the

Company Application No. 256 of 2002 stating that Petitioner Company has no trade creditors as on date of application and Petitioner Company also gave undertaking to give notice of hearing of the Petition to the creditors if any and publish the same in news papers AND UPON READING THE Report dated 4th day of September, 2002 of the Official Liquidator, High Court, Mumbai wherein he has opined that the affairs of the Petitioner Company have not been conducted in a manner prejudicial to the interest of its members or to public interest AND UPON READING the Affidavit dated 5th day of September, 2002 of Mr. Chakradhara Paik, Regional Director, Western Region, Department of Company Affairs, stating that the scheme is not prejudicial to the interest of creditors and shareholders of the Petitioner Company AND UPON HEARING Mr. Ajay Khandhar instructed by M/s. Pramodkumar & Co., Advocates for the Petitioner Company AND Mr. C. J. Joy with Mr. D. A. Dube, Panel Counsel instructed by Mr. T. C. Kaushik, for Regional Director, Department of Company Affairs, Maharashtra Mumbai who submits to the order of the Court and Mr. S. R. Kom, the Official Liquidator, High Court, Bombay who also submits to the order of the Court AND no other person or persons entitled to appear at the hearing of the petition appearing this day either in support of the said Petition or to show cause against the same THIS COURT DOTH HEREBY sanction the arrangement embodied in the scheme of amalgamation of Voltas Systems Limited the Transferor Company with Voltas Limited the Transferee Company as set forth in Exhibit "G" to the said Petition and also in the schedule hereto AND THIS COURT DOTH HEREBY DECLARE THAT the said scheme of amalgamation shall be binding on the Transferor Company and the ~~Transferee~~ ^{Transferee} Company and also on their respective members/share holders and creditors AND THIS COURT

DOTH ORDER THAT with effect from opening of the business as on 1st day of April, 2002 (hereinafter called "The Appointed Day") the entire undertaking and the business of the Transferor Company including, all its assets, reserve, surpluses, moveable and ~~immovable~~ ^{immoveable} assets including plant and machinery, furniture and fixture, stock in trade, current assets, investments, cash and bank balances, power, authorities, allotments, approvals and consents, licenses, registration, contracts, engagements, arrangements, rights, title interest, benefits, and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in, granted in favour of or enjoyed by the Transferor Company ~~including~~ but without being limited to all patents, trademarks, trade names, and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, advantages, benefits, leases, quota rights, permits, approval, authorization right to use and avail of telephones, telexes, facsimiles, connection and installation, utilities, electricity and other services, provisions, funds, benefits, of all arrangement and all other interest (all of which are hereinafter collectively referred to as "the said assets") shall without any further act or deed be and the same stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956 as a going concern for the all the estate and interest of the Transferor Company AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all the debts, liabilities, duties and obligations of the Transferor Company shall also be stand transferred or deemed to be transferred, without further act, instrument or deed to the Transferee Company pursuant to the provisions of Section 394 of the Companies Act, 1956 so as to

become as and from the Appointed day, the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT all suits, appeals, actions and legal arbitration or other proceedings (hereinafter called the proceedings) by or against the Transferor Company pending and/or arising on or before the day on which this scheme shall finally take effect shall not abate, discontinued or be in anyway prejudicially affected by reason of the implementation of the scheme, and shall be continued and be enforced by or against the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT all contracts, deeds, bonds, agreements, arrangement and other instruments whatsoever to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the appointed day shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if instead of the Transferor Company the Transferee Company had been a party or beneficiary thereto AND THIS COURT DOTH FURTHER ORDER THAT upon the scheme being effective, in consideration of transfer of and vesting of the undertaking including all assets and liabilities of the Transferor Company in the Transferee Company in terms of the scheme, the entire paid up share capital in the Transferor Company fully held by the Transferee Company and/or jointly with its nominees on the effective date shall be extinguished and shall stand extinguish and all such equity shares of Transferor Company held by the Transferee Company either in its own name or in the name of its nominees

shall be cancelled and shall be deemed to be cancelled on the effective date without any act, or deed and no further shares in lieu thereof will be issued by the Transferee Company to anybody including the share holders of Transferor Company immediately prior to the scheme coming in to effect i.e. effective date AND THIS COURT DOTH FURTHER ORDER that on the scheme becoming ~~being~~ effective, the Transferor Company shall stand dissolved without winding up AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do within 30 days from the date of sealing of the Order, cause a certified copy of the Order sanctioning the Scheme of Amalgamation to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and upon such Certified copy of Order being so delivered, the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place and transfer all the files relating to the Transferor Company as described in the scheme and register with him on the file kept by him in relation to the Transferee Company and files of both the Companies as described above shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the liberty is reserved to the Petitioner Company and all other persons interested in this petition to apply to this Hon'ble Court herein as and when occasion arise for any direction that may be necessary in regard to the working of the arrangement embodied in the scheme of Amalgamation sanctioned herein and set forth in the schedule hereto AND THIS COURT DOTH LASTLY ORDER that the Petitioner Company do pay a sum of Rs.2,500/- (Rupees Two Thousand Five Hundred only) each to the Regional Director, Department of Company Affairs,

Maharashtra State, Mumbai and the Official Liquidator, High Court, Mumbai towards the costs of the Petition WITNESS SHRI GULABRAO DEVRAO PATIL, the Acting Chief Justice at Bombay aforesaid this 5th day of September, 2002.

BY THE COURT,



[Signature]
FOR PROTHONOTARY & SENIOR MASTER

[Signature]

Sealer

Dated this 30th day of September 2002

Order SANCTIONING THE SCHEME OF)
Amalgamation under Section 391 and 394)
Of the Companies Act 1956 drawn on the)
Application by M/s. Pramodkumar & Co.,)
Advocates for the Petitioner having their)
Office at 57-G, Bhupen Chamber, 3rd floor,)
9, Dalal Street, Fort, Mumbai 400 023)

SCHEDULE

SCHEDULE
SCHEME OF AMALGAMATION
OF
VIRAT INVESTMENT COMPANY LIMITED
AND
VOLTAS SYSTEMS LIMITED
WITH
VOLTAS LIMITED

1. Preamble.

This Scheme of Arrangement between Virat Investment Company Limited, a company incorporated under the Companies Act, 1956 (hereinafter referred to as "the Act" or "the said Act") and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra and its members and Voltas Systems Limited, a company incorporated under the Companies Act, 1956 (hereinafter referred to as "the Act" or "the said Act") and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra and its members provides for the amalgamation of Virat Investment Company Limited and Voltas Systems Limited with Voltas Limited, also a company incorporated under the Indian Companies Act, 1913 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra, pursuant to the relevant provisions of the Companies Act, 1956.

2. Definitions

In this Scheme:

- (a) "The Act": means the Companies Act, 1956.



- (b) "The Appointed Date" or "The Appointed Day" means the commencement of the business of the Transferor Companies on 1st April, 2002.
- (c) "The Effective Date" means the last of the following dates:
- (i) the date on which any of the sanctions or orders or approvals or consents or permission or resolutions mentioned hereinafter shall be last obtained or passed; and
 - (ii) the date on which a certified copy/copies of the order(s) of the High Court under Sections 391 and 394 of the Companies Act, 1956 sanctioning the Scheme and vesting the undertaking including the assets, liabilities, rights, duties, obligations and the like of the Transferor Companies in the Transferee Company are filed with the Registrar of Companies.
- (d) "Scheme" or "Scheme of Amalgamation" means this Scheme of Amalgamation providing for amalgamation of the Transferor Companies with the Transferee Company as approved by the Board of Directors of both the Transferor Companies, as also of the Transferee Company subject to such modifications and/or stipulations as the hon'ble High Court of Judicature at Bombay may provide/stipulate or such alterations/modifications as may be agreed by Transferor Companies and the Transferee Company and as may be approved by the hon'ble High Court.
- (e) "Transfer", unless otherwise stated, means the transfer and vesting the undertaking including the assets, liabilities, rights, duties obligations and the like of the Transferor Companies to the Transferee Company by virtue of and under the provisions of this Scheme.



- (f) "The Transferor Companies" mean **Virat Investment Company Limited** ("VIRAT"), and **Voltas Systems Limited** ("VOLTAS SYSTEMS"), both jointly and severally.
- (g) "The Transferee Company" means **Voltas Limited** ("Voltas"), a company registered and incorporated under the Indian Companies Act, 1913 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra.
- (h) "VIRAT" means **Virat Investment Company Limited**, a company incorporated under the Companies Act, 1956 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road Chinchpokli, Mumbai - 400 033, Maharashtra.
- (i) "VOLTAS SYSTEMS" means **Voltas Systems Limited**, a company incorporated under the Companies Act, 1956 and having its registered office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400 033, Maharashtra.

3. Operative date of the Scheme

- (a) This scheme will be operative from the "Appointed Day".
- (b) This scheme although operative from the "Appointed Day", shall take effect finally from the "Effective Date".

4. Share Capital

- (a) The authorised, issued, subscribed and paid up share capital of the Transferor Companies is as follows:

1. VIRAT

- (i) The authorised share capital of the Company is Rs. 1,50,00,000/- (Rupees One crore fifty lacs only) divided into 1,50,000 (One lac fifty thousand) equity shares of Rs. 100/- (Rupees One hundred) each.



- (ii) The issued, subscribed and paid-up share capital of the Company is Rs.1,49,00,000/- (Rupees One Crore Forty Nine Lacs Only) divided into 1,49,000 (One lac forty nine thousand) equity shares of Rs. 100/- (Rupees One hundred) each.

2. VOLTAS SYSTEMS

- (i) The authorised share capital of the company is Rs.1,00,00,000/-(Rupees One Crore Only) divided into 18 (Eighteen) 12% Non-Cumulative Redeemable Preference Shares of Rs.100/- (Rupees One hundred) each and 9,99,820 (Nine lacs ninety nine thousand eight hundred twenty) Equity Shares of Rs.10/- (Rupees Ten) each.
- (ii) The issued, subscribed and paid-up share capital of the Company is Rs.10,00,000/-(Rupees Ten Lacs only) divided into 20 (Twenty) Equity Shares of Rs.10/- (Rupees Ten) each (fully paid up) and 4,99,800 (Four lacs Ninety nine thousand eight hundred) Equity Shares of Rs.10/- (Rupees Ten) each on which Rs.2/- (Rupees Two) per share called and paid up.
- (b) The authorised, issued, subscribed and paid up share capital of the Transferee Company(Voltas) is as follows:
- (i) The authorised share capital of the Company is Rs. 100,00,00,000/- (Rupees One hundred crores) divided into 6,00,00,000 (Six crores) equity shares of Rs. 10/- (Rupees Ten) each and 40,00,000 (Forty lacs) Redeemable Preference Shares of Rs. 100/- (Rupees One hundred) each.



- (ii) The issued and subscribed share capital of the Company is Rs. 33,08,84,740/- (Rupees Thirty-three crores eight lacs eighty-four thousand seven hundred forty) divided into 3,30,88,474 (Three crores thirty lacs eighty-eight thousand four hundred seventy four) equity shares of Rs. 10/- (Rupees Ten) each.
- (iii) The paid up share capital of the Company is Rs. 33,05,39,360/- (Rupees Thirty-three crores five lacs thirty-nine thousand three hundred sixty) divided into 3,30,88,474 (Three crores thirty lacs eighty-eight thousand four hundred seventy four) equity shares of Rs. 10/- (Rupees Ten only) each fully called up with calls in arrears of Rs. 3,45,380/- (Rupees Three lacs forty five thousand three hundred eighty) thereon.
- (c) The entire paid up share capital of both the Transferor Companies is held by the Transferee Company either in its own name or in the name of its nominee(s), i.e., both the Transferor Companies are wholly-owned subsidiaries of the Transferee Company.

5. Transfer of Undertaking

(a) Assets and properties:

- (i) With effect from the Appointed Day, the entire undertaking and the business of the Transferor Companies including as is relevant and applicable in relation to each Transferor Company, all its assets, reserves, surpluses, moveable and immovable assets including plant and machinery, furniture and fixtures, stock in trade, Current Assets, investments, cash and bank balances, power, authorities, allotments, approvals and consents, licenses, registrations, contracts, engagements, arrangements, rights, titles, interests, benefits and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in, granted in favour of



or enjoyed by the Transferor Companies and each such Transferor Company, including but without being limited to all patents, trade marks, trade names and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, advantages, benefits, leases, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits, of all agreements and all other interest (all of which are hereinafter collectively referred to as "the said assets") shall without any further act or deed be and the same stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act as a going concern for all the estate and interest of Transferor Companies.

- (ii) It is expressly provided that in respect of such of the assets as are moveable in nature or are otherwise capable of transfer only by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Companies.
- (iii) The transfer/vesting as aforesaid shall be subject to existing charges/hypothecation/mortgage/lien (if any as may be subsisting) over or in respect of the said assets or any part thereof.
- (iv) 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 any Creditors of the Transferor Companies, if any, or in favour of any other party to any contract or arrangement to which the Transferor Companies are 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 Companies and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Companies to be carried out or performed.

(b) Liabilities and obligations:

(i) With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Companies (hereinafter referred to as "the said liabilities") shall also be and stand transferred or deemed to be transferred, without further act, instrument or deed to the Transferee Company pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Day, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. However the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and save as hereinafter provided the Transferee Company shall not be obliged to create any further or additional security thereof, after the amalgamation has become effective or otherwise.



or enjoyed by the Transferor Companies and each such Transferor Company, including but without being limited to all patents, trade marks, trade names and other industrial rights of any nature whatsoever and licenses in respect thereof, privileges, liberties, advantages, benefits, leases, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits, of all agreements and all other interest (all of which are hereinafter collectively referred to as "the said assets") shall without any further act or deed be and the same stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 of the Act as a going concern for all the estate and interest of Transferor Companies.

- (ii) It is expressly provided that in respect of such of the assets as are moveable in nature or are otherwise capable of transfer only by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Companies.
- (iii) The transfer/vesting as aforesaid shall be subject to existing charges/hypothecation/mortgage/lien (if any as may be subsisting) over or in respect of the said assets or any part thereof.
- (iv) 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 any Creditors of the Transferor Companies, if any, or in favour of any other party to any contract or arrangement to which the Transferor Companies are 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 Companies and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Companies to be carried out or performed.

(b) Liabilities and obligations:

(i) With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Companies (hereinafter referred to as "the said liabilities") shall also be and stand transferred or deemed to be transferred, without further act, instrument or deed to the Transferee Company pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Day, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this clause. However the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Companies which shall vest in the Transferee Company by virtue of the amalgamation and save as hereinafter provided the Transferee Company shall not be obliged to create any further or additional security thereof, after the amalgamation has become effective or otherwise.



(ii) Loans or other obligations, if any, due between or amongst the Transferor Companies and Transferee Company as are not otherwise discharged or liquidated by either of the Company at any time prior to the Effective Date, stand discharged and/or cancelled as on the Effective Date, and shall be of no effect and the Transferor Companies or the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.

(c) (A) For the purposes of this Scheme, the undertaking of the Transferor Companies shall include:

- i) All the assets of the Transferor Companies as referred to in sub-clause (a) hereinabove of this clause as on the Appointed Date, and
- ii) All the liabilities of the Transferor Companies as referred to sub-clause (b) hereinabove of this clause as on the Appointed Date.

(B) Without prejudice to the generality of sub-clause (A) hereinabove, the undertaking of the Transferor Companies shall include all rights, privileges, powers and authorities and all properties real, corporeal or incorporeal in possession or reversion, present or contingent of whatsoever nature and wheresoever situate including in particular all licenses and liberties, import quotas or any other entitlement of any nature held and/or applied for including interest, if any, acquired in companies or partnerships in India and/or abroad and all other ancillary or incidental debts, liabilities and duties of the Transferor Companies and all other obligations of whatsoever kind including liabilities, if any, for payment of gratuity, pension benefits, provident fund or compensation in the event of retrenchment.



- (d) With the transfer to and vesting in the Transferee Company of the undertaking including all the assets and liabilities of the Transferor Companies as referred to in this Clause with effect from the Appointed Day, the Transferor Companies be amalgamated and/or be deemed to have been amalgamated with the Transferee Company.

6. Contracts, Deeds, Bonds and other instruments

- (a) Subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments of whatsoever nature to which the Transferor Companies are party or to the benefit of which the Transferor Companies may be eligible and which are subsisting or having effect immediately before the Appointed Day, shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectually as if, instead of the Transferor Companies, the Transferee Company had been a party or beneficiary thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings, or confirmation or enter into any Tripartite Arrangement, confirmations or notations to which the Transferor Companies, if necessary, will also be a party in order to give formal effect to the provisions of this Clause, if so required or becomes necessary.
- (b) The transfer of the said assets and the said liabilities of the Transferor Companies to the Transferee Company and the continuance of all contracts or proceedings by or against the Transferee Company shall not affect any contract or proceedings relating to the said assets and the said liabilities already concluded by the Transferor Companies on or after the Appointed Day.



7. Legal Proceedings

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All suits, appeals, actions and legal or arbitration or other proceedings, (hereinafter called "the proceedings") by or against the Transferor Companies pending and/or arising on or before the date on which this Scheme shall finally take effect shall not abate, be discontinued or be in any way prejudicially affected by reason of the implementation of this Scheme, and shall be continued and be enforced by or against the Transferee Company as effectively as if the same had been pending and/or arising against the Transferee Company in the same manner or to the same extent as would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if this Scheme had not been made.

8. Conduct of Business by Transferor Companies till Effective Date.

- (a) With effect from the Appointed Day upto and including the date on which this Scheme finally takes effect (viz. the Effective Date):
- (i) the Transferor Companies shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all the said assets for and on account of and in trust for the Transferee Company.
 - (ii) all the profits and incomes accruing and arising to the Transferor Companies or expenditures or losses incurred or arising by the Transferor Companies shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditures or losses of the Transferee Company, as the case may be.



(b) The Transferor Companies hereby undertake from the Appointed Day upto and including the Effective Date:

- (i) to carry on its business with reasonable diligence, business prudence and not, without the prior written consent of the Transferee Company to alienate, charge or otherwise deal with or dispose off the said undertaking or any part thereof (except in the ordinary course of business) nor to undertake any new business or a substantial expansion of its existing business;
- (ii) not to undertake any additional financial commitments of any nature whatsoever, borrow any amounts, nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments except in the ordinary course of business save as expressly permitted by this Scheme or with the prior written consent of the Transferee Company.
- (iii) not to vary the terms and conditions of employment of its employees, if any.

9. Employees of the Transferor Companies

All employees of the Transferor Companies in service on the date immediately preceding the date on which this Scheme finally takes effect i.e. the Effective Date shall become the employees of the Transferee Company on such date without any break or interruption in service and on the basis of continuity of service and on the terms and conditions not less favourable than those subsisting with reference to the Transferor Companies as on the said date. The position, rank and designation of the employees would be decided by the Transferee Company.



10. Consideration for Transfer – Share Capital of Transferor Companies to be extinguished.

Upon the Scheme becoming effective, in consideration of the transfer of and vesting the undertaking including all assets and liabilities of the Transferor Companies in the Transferee Company in terms of this Scheme, the entire paid up Share Capital in the Transferor Companies fully held by the Transferee Company and/or its nominee(s) on the Effective Date shall be extinguished and shall stand extinguished and all such equity shares of Transferor Companies held by the Transferee Company either in its own name or in the name of its nominee(s) shall be cancelled and shall be deemed to be cancelled on the Effective Date without any act or deed and no further shares in lieu thereof will be issued by the Transferee Company to any body including the shareholders of Transferor Companies immediately prior to the Scheme coming into effect, i.e., Effective Date.

11. Dividends, profits, bonus / rights shares

- (a) The Transferor Companies and the Transferee Company shall be entitled to declare and pay dividends prior to the Effective Date in respect of their respective profits/earnings upto the Effective Date.
- (b) The Transferor Companies shall not issue or allot any rights shares or bonus shares out of its authorised or unissued share capital for the time being as also not make any change in their respective capital structure either by increase (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, reorganisation or in any manner whatsoever from the Appointed Date upto and including the Effective Date.



12. Transferor Companies to be dissolved without winding up

On amalgamation, i.e., on the Scheme becoming finally effective, the Transferor Companies shall be dissolved without winding up subject to an order being passed by the hon'ble High Court of Judicature at Bombay under Section 394 of the Act.

13. Application/Petition to the High Court

On the Scheme being agreed by the requisite majorities of the members of the Transferor Companies and of the members of the Transferee Company if and as may be required -

- (a) The Transferor Companies shall with all reasonable despatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for the dissolution of the Transferor Companies without winding up under the provisions of law, and
- (b) The Transferee Company shall also, if required, with all reasonable despatch, make applications/petitions under Sections 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law, for the purpose of obtaining an Order or Orders under Sections 391 and 394 of the Act, for giving effect to the Scheme.

14. Modifications and Settling of Doubts / difficulties

- (a) The Transferor Companies (by its Board of Directors) and the Transferee Company (by its Board of Directors) acting jointly or any Committee(s) thereof or any person or persons duly authorised by them respectively may



assent from time to time on behalf of all concerned to any modifications or amendments of this Scheme or of any conditions or limitations which the Court and/or any other authorities under law may deem fit to approve of or impose and to resolve all doubts or difficulties that may arise for carrying out the Scheme and to do and execute all acts, deeds, matters and things necessary for putting the Scheme into effect.

- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof, the Directors of the Transferor Companies or the Transferee Company as the case may be may give and are authorised to give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise.

15. Scheme conditional on approvals/sanctions

This Scheme is specifically conditional upon and subject to:

- (a) the sanction or approval under any law or of the Central Government or any other Agency, Department or Authorities/institutions concerned being obtained and granted as regards to any of the matters relating to the Scheme in respect of which such sanction or approval is required.
- (b) the approval of and agreement to the Scheme by the requisite majorities of such classes of persons of the Transferor Companies and the Transferee Company, if so required, as may be directed by the Hon'ble High Court of Judicature at Bombay on the applications made for directions under Section 391 of the said Act for calling meetings and necessary resolutions being passed under the said Act for the purpose.
- (c) the sanctions of the Hon'ble High Court of Judicature at Bombay being obtained under Sections 391 and 394 and other applicable provisions of the said Act if so required on behalf of the Transferor Companies and the Transferee Company.



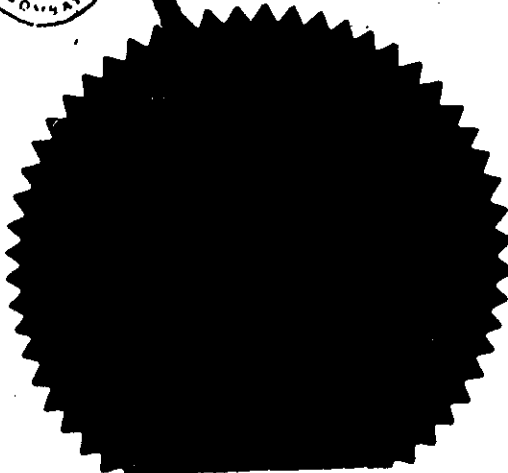
(d) such other sanctions or approvals or orders as may be necessary or required by law in respect of the Scheme being obtained.

16. When the Scheme becomes void

In the event of any of the said sanctions and approvals referred to in the preceding Clause 15 above not being obtained and/or the Scheme not being sanctioned by the High Court and/or the Order or Orders not being passed as aforesaid before 31st March, 2003 or within such further period or periods as may be agreed upon between the Transferor Companies and the Transferee Company by its Directors (and which the Board of Directors of all the Companies are hereby empowered and authorised to agree to and extend from time to time without any limitations), the Scheme or arrangements shall become null and void and stand revoked, cancelled and be of no effect, and in that event no rights and liabilities shall accrue to or be incurred inter se by the parties in terms of this Scheme save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

17. Costs, Charges and Expenses

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



CERTIFIED TO BE A TRUE COPY
This 31st day of Oct 2003
[Signature]
31/10/03
By Prothonotary and Senior Magistrate

HIGH COURT

O. O. C. J

COMPANY PETITION NO. 669 OF 2002

CONNECTED WITH

COMPANY APPLICATION NO. 256 OF 2002

In the matter of Companies Act, 1956;

And

In the matter of Section 391 and 394 of the Companies Act, 1956.

And Scheme

In the matter of Amalgamation of Virat Investment Company Limited and Voltas Systems Limited with Voltas Limited.

M/s. Voltas Systems Limited Petitioners

CERTIFIED COPY OF

ORDER SANCTIONING THE SCHEME OF AMALGAMATION

fr. para on 3-10-2002 Dated this 5th day of September, 2002
Filed this 30th day of Sept. 2002

Applied on 9-9-2002
Engrossed on 31-9-2002
Section Writer pu
Folios 23 pages
Examined by (B)
Compared with (B)
Ready on 3 OCT-2002
Delivered on 9 OCT-2002

Filed on 12-9-2002
Dated on 30-9-2002
on Writer (B)
Signed by (B)
pared with (B)
ly on 30-9-2002
dated on 30-9-2002

M/s. Pramodkumar & Co
Advocates for the Petitioners
576, Bhupen Chamber, 3rd floor,
9, Dalal Street, Fort, Mumbai-400 023.

13 OCT 2002

Pranmedicomer & Co

Additional ... 5.25
 Additional ... 6.00
 Total Rs. ... 11.25

25399

24087

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
 ORDINARY ORIGINAL CIVIL JURISDICTION
 COMPANY PETITION NO. 793 OF 2002
 CONNECTED WITH
 COMPANY APPLICATION NO. 397 OF 2002

In the matter of Companies
 Act, 1956,

And

In the matter of Sections 78
 and 100. to 104 of the
 Companies Act, 1956;

And

In the matter of Voltas
 Limited;

And **reduction**

In the matter of ~~reduction~~ of
 the share capital of Voltas
 Limited;

M/s. Voltas Limited, an existing Company)
 under the provisions of the Companies)
 Act, 1956, having its Registered Office at)
 Voltas House "A" Dr. Babasaheb Ambedkar Road.)
 Chinchpokli, Mumbai - 400 033.) ... Petitioner

CORAM: R. J. KOCHAR J

DATE : 27TH September, 2002

UPON the Petition of M/s. Voltas Limited, the Petitioner Company
 abovenamed presented to His Hon'ble Court on the 13th day of August
 2002 for reduction of Share Capital of Voltas Limited (hereinafter
 referred to as the "Petitioner Company") and for other consequential
 reliefs mentioned in the Petition AND the said Petition being this day
 called on for hearing and final disposal AND UPON READING the said
 Petition and the Affidavit of Mr. Varun Prakash Malhotra, the

Company Secretary of the Petitioner Company dated the 13th day of August, 2002 verifying the Petition AND UPON perusing Exhibits annexed to the said Petition AND UPON READING the Affidavit of Mr. Varun Prakash Malhotra dated 13th day of August, 2002 in support of the Company Application No. 397 of 2002 and the exhibits annexed to the said Affidavit AND UPON READING the Order dated the 20th day of August, 2002 passed by this Hon'ble Court in Company Application No. 397 of 2002, whereby the procedure required to be followed under Section 101(2) of the Companies Act, 1956 was dispensed with as not applicable in view of the Special Resolution passed at the Forty Eighth Annual General Meeting of the Petitioner Company held on 12th day of August, 2002 and in view of the averment made in para 13 of the Affidavit of Mr. Varun Prakash Malhotra dated 13th day of August, 2002 in support of the Company Application No. 397 of 2002 AND UPON READING the affidavit of Mr. Pramod Nanalal Vora, Sole Proprietor of M/s. Pramodkumar & Co., Advocates for the Petitioner Company dated 24th day of September, 2002 proving publication of notice of hearing of the Petition in the news papers viz., The Free Press Journal (Mumbai Edition) and Marathi translation thereof in Navshakti, both dated 23rd August, 2002 AND UPON READING the Affidavit of Varun Prakash Malhotra dated 25th day of September, 2002 seeking reduction in the share premium amount as set out in para 4 of the said affidavit and sought to amend to the Petition in terms of the proposed amendment annexed as Exhibit "3" to the said affidavit AND WHEREAS By the Order passed on this day the Petitioner Company was allowed to amend the Petition in terms of the proposed amendment AND UPON HEARING Shri Virag Tulzapurkar, Counsel instructed by M/s. Pramodkumar & Co., Advocates for the Petitioner Company AND no shareholder or creditor or other person entitled to appear at the hearing of the said Petition has appeared this day either in support of the said Petition or to show cause against the same THIS COURT DOETH HEREBY ORDER that the reduction of share capital of the Petitioner Company resolved on and effected by the Special Resolution passed at the Forty Eighth Annual General Meeting of the Petitioner Company held on the 12th August, 2002, read with resolution passed by Board of Directors on 20th day of September, 2002 which resolution was in words and figures following viz.

"RESOLVED that pursuant to the provisions of Sections 78, 100 and other applicable provisions if any, of the Companies Act, 1956, and

Articles 14 and 197 of the Articles of Association of the Company, and subject to the confirmation of the Hon'ble High Court of Judicature at Mumbai, an amount not exceeding Rs. 597.193 million standing in the Share Premium Account of the Company be utilised for adjustment of the balance of the Deferred Revenue Expenditure (to the extent not written off or adjusted) as at 31st March, 2002, and such accretion thereto during the year 2002-03).

N "RESOLVED FURTHER that for the purpose of giving effect to the above Resolution and for removal of any difficulties or doubts, the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee ~~or~~ any person which the Board may nominate/constitute to exercise its powers, including the powers conferred under this Resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any question of difficulty that may arise with regard to utilization/adjustment of the Share Premium Account including passing of such accounting entries and/or making such other adjustments in the books of account as considered necessary to give effect to the above Resolution or to carry out such modifications/directions as may be ordered by the Hon'ble High Court of Judicature at Mumbai to implement the aforesaid Resolution".

be and the same is hereby confirmed, AND THIS COURT DOETH FURTHER ORDER that the Resolution passed by the Board of Directors on 20th day of September, 2002 which resolution was in words and figures following viz.


"RESOLVED that the Company do, subject to confirmation by the High Court, Mumbai, adjust the Deferred Revenue Expenditure, largely comprising the VRS costs, aggregating Rs. 55.61 crores against the balance of Rs. 59.72 crores lying in the Share Premium Account.

"RESOLVED FURTHER that Mr. A. Soni, Managing Director, Mr. M. M. Miyajiwala, Executive Vice President (Finance) or Mr. V.P. Malhotra, Company Secretary, be and are hereby severally authorised to take all such steps and actions as may be considered necessary to give effect to the said financial restructuring, including intimation to the High Court, Mumbai, by an Affidavit, if so required, of the DRI amount and the resultant accounting entries arising out of Reduction in the Share Capital of the Company.

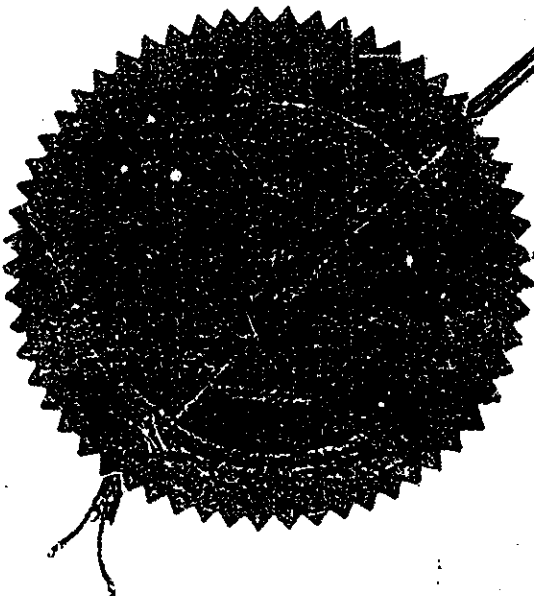
"RESOLVED FURTHER that a copy of the foregoing Resolution certified to be true by the Chairman/Secretary of the Company, be furnished to the concerned authorities and they be requested to act thereon" be and the same is hereby confirmed,

AND THIS COURT DOETH FURTHER ORDER that the Minute being Ex. "L" to the Petition and set forth in the Schedule hereto be and is hereby approved AND THIS COURT DOETH FURTHER ORDER that the certified copy of the Order including Minute as approved be delivered to the Registrar of Companies, Maharashtra, Mumbai, within 21 (twenty one) days from the date of sealing of this Order AND THIS COURT DOETH FURTHER ORDER that notice of the registration by the Registrar of Companies Maharashtra, Mumbai of this Order and of the said Minute be published once each in the Maharashtra Government Gazette, Free Press Journal (Mumbai edition) and Marathi translation thereof in Navshakti (Mumbai edition) within 14 days of the aforesaid registration WITNESS SHRI GULABRAO DEORAO PATIL, the Acting Chief Justice at Bombay aforesaid this 27th day of September, 2002.

BY THE COURT,


For Prothonotary & Senior Master

Sealer
Dated this 9th day of October 2002



Order Confirming reduction of share Capital under)
Section 78, 100 to 104 of the Companies Act, 1956)
drawn on the Application by M/s. Pramodkumar & Co.,
Advocates for the Petitioner having their Office)
at 57-G, Bhupen Chamber, 3 rd Floor, 9, Dalal)
Street, Mumbai-400 023)

SCHEDULE

SCHEDULE
PROPOSED MINUTE

"The Deferred Revenue Expenditure (DRE), comprising of Voluntary Retirement Scheme (VRS) cost, which stood at Rs.53,17,21,698/- as on 31st March, 2002 and additions thereto during the period between 1st April, 2002 and 20th September, 2002 amounting Rs.2,43,85,187/- aggregating in all to Rs.55,61,06,885/- is adjusted against the balance of Rs.59,71,93,100/- standing to the credit of Share Premium Account (Securities Premium Account) as at 20th September, 2002 in the books of the Petitioner Company in terms of Special Resolution passed at the Forty-Eighth Annual General Meeting held on 12th August, 2002."

CERTIFIED TO BE A TRUE COPY

This is on day of 28 oct 2002

meeth

for Prothonotary and Senior Master

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY PETITION NO. 793 OF 2002
CONNECTED WITH
COMPANY APPLICATION NO.397 OF 2002

In the matter of Companies Act, 1956

And

In the matter of Sections 78 & 100 to
104 of the Companies Act, 1956;

And

In the matter of Voltas Limited;

And

In the matter of ~~restoration~~ reduction
of the share
capital of Voltas Limited;

M/s. Voltas Limited.

... Petitioner

CERTIFIED COPY OF

ORDER CONFIRMING REDUCTION OF
SHARE CAPITAL.

Dated this 27th day of September, 2002

Filed this 9th day of October, 2002

Applied on 30-9-02
Engrossed on 10-10-02
Section Writer [Signature]
Folio 7 PB
Examined by [Signature]
Compared with [Signature]
Ready on 19.10.2002
Delivered on 19.10.2002

Applied on 4-10-2002
Engrossed on 4-10-2002
Section Writer [Signature]
Folio [Signature]
Examined by [Signature]
Compared with [Signature]
Ready on 9-10-2002
Delivered on [Signature]

M/s. Pramodkumar & Co,
Advocates for the Petitioner
57-G, Bhupen Chamber, 3rd Floor,
9, Dalal Street, Mumbai 400 023.

19.10.2002

IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT – V, MUMBAI BENCH

CP (CAA)/971/MB/2020
connected with
CA (CAA)/600/MB/2020

In the matter of
The Companies Act, 2013;
and

In the matter of Sections 230 to 232
and other applicable provisions of the
Companies Act, 2013;

and

In the matter of Scheme of Merger by
Absorption of Universal Comfort
Products Limited ('Transferor
Company') with Voltas Limited
(('Transferee Company') and their
respective Shareholders ('the
Scheme')

Universal Comfort Products Limited

...First Petitioner/Transferor Company

CIN: U29193MH2001PLC249228

Voltas Limited

...Second Petitioner/Transferee Company

CIN: L29308MH1954PLC009371

(Hereinafter the First and the Second Petitioner Company collectively
referred to as 'Petitioner Companies')

Order delivered on: 11.09.2020

Coram:

Hon'ble Smt. Suchitra Kanuparthi, Member (Judicial)

Hon'ble Shri. Chandra Bhan Singh, Member (Technical)



Appearances (via videoconferencing)

For the Petitioners: Mr Hemant Sethi, I/b Hemant Sethi & Co, Advocates

For the Regional Director (WR): Ms. Rupa Sutar, Deputy Director.

Per: Suchitra Kanuparthi, Member (J)

ORDER.

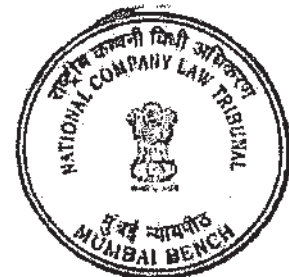
1. This Court is convened by video conference today (11.09.2020).
2. Heard learned Counsel for the Petitioner Companies and the representative of the Regional Director (Western Region), Ministry of Corporate Affairs, Mumbai. No objector has come before this Tribunal to oppose the Scheme and nor has any party controverted any averments made in the Petition.
3. The Petitioner Companies have approved the said Scheme by passing Board Resolution at their respective meeting held for the same on 27th September 2019 and thereafter they have approached the Tribunal with the captioned Petition for sanction of the Scheme.
4. The sanction of the Tribunal is sought under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for the sanction of Scheme of Merger by Absorption of Universal Comfort Products Limited ('Transferor Company') with Voltas Limited ('Transferee Company') and their respective Shareholders ('the Scheme').
5. The First Petitioner Company with CIN: U29193MH2001PLC249228 was incorporated on 29th day of June 2001 under the Companies Act, 1956 with its present name as Universal Comfort Products Limited. The registered office of the First Petitioner Company is situated at Voltas House 'B', T. B. Kadam Marg, Chinchpokli, Mumbai 400033, Maharashtra, India. The First Petitioner Company is engaged in the business of manufacturing of room air conditioners.



6. The Second Petitioner Company with CIN: L29308MH1954PLC009371 was incorporated on 6th September 1954 under the Indian Companies Act, 1913 as a public limited company. The registered office of the Second Petitioner Company is situated at Voltas House 'A', Dr Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400033, Maharashtra, India. The Second Petitioner Company is engaged in various businesses including execution of turnkey projects in the field of Heating, Ventilation and Air-conditioning, Water Management and Mechanical, Electrical and Plumbing (MEP) projects in India as well as overseas. It is also engaged in manufacturing, marketing, distribution and selling of wide range of room air conditioners, commercial refrigeration products, air coolers, air purifiers and other cooling products, including commercial AC products and also in the business of engineering products and services for mining and construction equipment and textile machinery. The Second Petitioner Company has presence in India and overseas through subsidiaries and branches.

7. The Learned Counsel for the Petitioner Companies submits that the Transferor Company under this scheme of merger by absorption is a wholly owned subsidiary of Voltas Limited. The merger of Transferor Company will lead to increase in operational synergies with the existing business of Voltas Limited. The merger of the Transferor Company with Transferee Company would inter-alia have the below mentioned broad benefits:

- (a) Enhancing shareholder value and leveraging on synergies in doing business;
- (b) Common governance structure and effective management of compliances;
- (c) Consolidation of business to ensure more focused operational efforts, make functioning more efficient, reduce overhead expenses and align with the business plans which will enable to meet the long term objectives of the Group;
- (d) Streamlining the overall structure by reduction in number of entities, legal and regulatory compliances required at present;



- (e) Rationalizing costs by simplification of structure leading to better administration and significant cost savings and management time;
- (f) Reduce time and efforts for consolidation of financials at Voltas Group level, including audit.

8. The Learned Counsel states that the Petitioner Companies have complied with all the directions contained in the order dated 19.03.2020 passed in Company Application bearing C.A(CAA)/600/MB/2020 and that the present Company Petition has been filed in consonance with the said order.

9. This Tribunal had directed the Petitioner Companies to issue notices along with copy of Scheme upon:- (i) concerned Income Tax Authority (for First Petitioner Company with PAN AAACU4770G) and for (Second Petitioner Company with PAN AAACV2809D) within whose jurisdiction the Petitioner Companies' assessments are made, (ii) the Central Government through the office of Regional Director, Western region, Mumbai (iii) Registrar of Companies, Mumbai; (iv) the SEBI, RBI, BSE Limited and the National Stock Exchange by the Second Petitioner Company; and (v) the Official Liquidator by the First Petitioner Company. Further, the First Petitioner Company was directed to serve notices upon all its unsecured creditors.

10. The Learned Counsel further states that the Petitioner Companies have also complied with all the directions contained in the order dated 07.08.2020 passed while admitting the Company Petition bearing CP (CAA) 971/MB/2020.

11. The Learned Counsel further states that the Petitioner Companies have complied with all the requirements as per directions of this Tribunal and have filed necessary Affidavits and Compliance report with the Tribunal confirming such compliance. Moreover, the Petitioner Companies undertakes to comply with statutory requirements, if any, as required under the Companies Act, 2013 and the Rules made there under as applicable.



12. The Regional Director has filed his report dated 13th August 2020, wherein it is stated that save and except as observed in paragraph IV (a) and (g), it appears that the Scheme is not prejudicial to the interest of shareholders and public. In reply to the observation made by the Regional Director, the Petitioner Companies have filed a rejoinder with this Tribunal marking a copy to the Regional Director. The observations of the Regional Director as stated in paragraph IV of his Report and the undertaking and justification provided by the Petitioner Companies in the said rejoinder is replicated below –

Observations of the Regional Director -

(a) In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the Scheme to comply with other applicable Accounting Standards such as AS-5 (IND AS-8) etc.

(b) As per Definition of the Scheme

'Appointed Date' means the 1st day of April, 2019

'Effective Date' means the date on which last of the consents, approvals, permissions, resolutions and orders as mentioned in clause 21(a) shall be obtained or passed:

In this regard it is submitted that Section 232(6) of the Companies Act, 2013 states that the scheme under this section shall clearly indicate an appointed date from which it shall be effective and the scheme shall be deemed to be effective from such date and not at a date subsequent to the appointed date. However, this aspect may be decided by the Hon'ble Tribunal taking into account its inherent powers.

Further, the Petitioners may be asked to comply with the requirements and clarified vide circular no. F. No. 7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.



- (c) Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.
- (d) The Hon'ble Tribunal may kindly seek the undertaking that this Scheme is approved by the requisite majority of members and creditors as per Section 230(6) of the Act in meetings duly held in terms of Section 230(1) read with subsection (3) to (5) of Section 230 of the Act and the Minutes thereof are duly placed before the Tribunal.
- (e) It is observed that the Petitioner companies have not submitted a admitted copy of the Petition, and Minutes of Order for admission of the Petition. In this regard, the Petitioner has to submit the same for the record of Regional Director.
- (f) Hon'ble NCLT may kindly direct the petitioners to file an affidavit to the extent that the Scheme enclosed to Company Application & Company Petition, are one and same and there is no discrepancy/any change/changes are made;
- (g) As the Transferee Company is listed, hence, the petitioner be directed to file an affidavit to the extent it has complied with the directions of issued vide letter No. DCS/AMAL/AJ/R37/1060/2017-18 dated 08.03.2018 and NSE/LIST/14769 dated 12.03.2018, by BSE and NSE respectively.



Justification given by the Petitioner Companies -

- (a) As far as observations made in paragraph IV (a) of the Report of Regional Director is concerned, the Transferee Company undertakes that in addition to compliance of AS-14 (IND AS-103), to the extent applicable; the Transferee Company shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.
- (b) As far as the observations made in paragraph IV (b) of the Report of Regional Director is concerned, the Transferee Company confirms that as per Clause 1.3 of the Scheme, "Appointed Date" means 1st day of April, 2019. Further, Clause 2 of the Scheme specifies that the Scheme set out herein in its present form with or without any modification(s) approved or imposed or directly by the Tribunal or made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date. In this regard, it is submitted that, in terms of provisions of section 232(6) of the Companies Act, 2013, the Scheme shall be deemed to be effective from 1st April 2019 i.e. the Appointed Date.

Accordingly, the Petitioner Companies will be in compliance with the requirement and clarification vide circular no F.No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.

- (c) As far as observations made in paragraph IV (c) of the Report of Regional Director is concerned, the Transferee Company states that the Company will comply with Clause 13, 14 and 15 of the Scheme, to give effect to increase in Authorised Share Capital of the Transferee Company only after considering the approval of this Scheme.



Thus, the Transferee Company undertakes to amend their Clause V of Memorandum of Association and Article 5 of Article of Association only to give effect as per the approval of the Scheme of Merger by the Tribunal.

Further, the Petitioner Companies state that, the Transferee Company will be eligible for set-off of fees on the Authorised Share Capital paid by the Transferor Company, if any; and thus comply with the provisions of Section 232(3)(i) of the Companies Act, 2013

(d) As far as observations made in paragraph IV (d) of the Report of Regional Director is concerned, the Petitioner Companies states that, the Board of Directors of both the Petitioner Companies in their respective meeting held on 27th September 2019 have approved the Scheme. Further, the First Petitioner Company has obtained consent Affidavits from all their equity shareholders and annexed to the Company Application as filed with the NCLT. The First Petitioner Company is a wholly owned subsidiary of the Second Petitioner Company and no reconstruction or arrangement is envisaged with its shareholders or creditors. Accordingly, the Hon'ble Bench at NCLT Mumbai had granted dispensation from conducting meetings of members and creditors of Petitioner Companies and had directed to send notices to the unsecured creditors of the First Petitioner Company.

(e) As far as observations made in paragraph IV (e) of the Report of Regional Director is concerned, a copy of the Petition and copy of interim order dated 7th August 2020 admitting of the Petition was e-filed with the Tribunal on 27.08.2020 and with the Regional Director on 31.08.2020 along-with the rejoinder.



(f) As far as observations made in paragraph IV (f) of the Report of Regional Director is concerned, the Petitioner Companies confirm and undertake that the Scheme enclosed to the Company Application and Company Petition are one and the same and there is no discrepancy or deviation.

(g) As far as observations made in paragraph IV (g) of the Report of Regional Director is concerned, the Second Petitioner Company states that, in compliance to the letter No. DCS/AMAL/AJ/R37/1060/2017-18 dated 08.03.2018 and NSE/LIST/14769 dated 12.03.2018, by BSE and NSE respectively, it has served notices to The Securities and Exchange Board of India, BSE Limited and the National Stock Exchange of India Limited. The copy of the said letters are annexed with the Company Application and Company Petition.

13. The observations made by the Regional Director and the explanations to the said observations are given by the Petitioner Companies in Para 12 above. The clarifications and undertakings given by the Petitioner Companies are accepted.

14. The Official Liquidator has filed his report dated 7th September 2020 inter-alia stating therein that the affairs of the Transferor Company has been conducted in a proper manner, not prejudicial to the interest of the shareholders of the Transferor Company.

15. The Transferor Company may be ordered to be dissolved without the process of winding up.

16. Upon the coming into effect of the Scheme and with effect from the Appointed Date, pursuant to the sanction of the Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, the Undertaking of the Transferor Company shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act.



instrument, deed, matter or thing so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme.

17. The Transferor Company is a wholly owned subsidiary of the Transferee Company. Upon the Scheme coming into effect, all the shares of the Transferor Company held by the Transferee Company (either directly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no new shares shall be issued or no payment/consideration shall be made whatsoever by the Transferee Company in lieu of cancellation of such shares of the Transferor Company.

18. The Transferee Company by its letters dated 18th October 2019 has forwarded copy of Scheme to BSE Limited and National Stock Exchange of India Limited, in compliance with **SEBI circular CFD/DIL3/CIR/2017/21 dated 10th March 2017** and as amended by circular **CFD/DIL3/CIR/2018/2 dated 3rd January 2018**.

19. From the material on record, the Scheme appears to be fair and reasonable and is not in violation of any provisions of law and is not contrary to public policy.

20. Since all the requisite statutory compliances have been fulfilled, the Company Petition CP (CAA)/971/MB/2020 is made absolute in terms of prayers of the Company Petition.

21. The Petitioner Companies are directed to lodge a certified copy of this Order along with a copy of the Scheme with the concerned Superintendent of Stamps, within 60 working days from the date of receipt of certified copy of order, for adjudication of stamp duty payable, if any, on the above.

22. The Petitioner Companies are directed to lodge a certified copy of this Order along with a copy of the Scheme with the concerned Registrar of Companies, electronically in Form INC-28, within 30 days from the date



IN THE NATIONAL COMPANY LAW TRIBUNAL
COURT - V, MUMBAI BENCH

CP (CAA)/971/MB/2020
connected with
CA (CAA)/600/MB/2020

of receipt of certified copy of order, duly certified by the Deputy/Assistant Registrar of this Tribunal.

23. All concerned regulatory authorities to act upon a copy of this Order duly certified by the Deputy/Assistant Registrar of this Tribunal along with a copy of the Scheme.

24. Any person interested shall be at liberty to apply to this Tribunal in the above matter for any directions that may be necessary.

25. Pronounced today (11.9.2020) in Open Court, File be consigned to records.

SD/-

Chandra Bhan Singh
Member (Technical)

SD/-

Suchitra Kanuparthi
Member (Judicial)

Certified True Copy
Date of Application 11.09.2020
Number of Pages 11
Fee Paid Rs. 55
Applicant called for collection copy on 02-11-2020
Copy prepared on 02-11-2020
Copy issued on 02-11-2020

J.T. Registrar

National Company Law Tribunal, Mumbai Bench



SCHEME OF MERGER BY ABSORPTION

UNIVERSAL COMFORT PRODUCTS LIMITED.... **Transferor Company**

AND

VOLTAS LIMITED.... **Transferee Company**

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF
THE COMPANIES ACT, 2013

This Scheme of Merger by Absorption (the Scheme) is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof) for merger of Universal Comfort Products Limited with Voltas Limited and their respective shareholders.

A. Description of the Companies

1. **Universal Comfort Products Limited** is a company incorporated under the Companies Act, 1956 with its registered office at Voltas House 'B', T. B. Kadam Marg, Chinchpokli, Mumbai - 400033, Maharashtra, India ("Transferor Company" or "UCPL") [CIN : U29193MH2001PLC249228]. UCPL is engaged in the business of manufacturing room air conditioners. The Transferor Company is a wholly owned subsidiary of the Transferee Company.
2. **Voltas Limited** is a company incorporated under the Indian Companies Act, 1913 with its registered office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai - 400033, Maharashtra, India ("Transferee Company" or "Voltas") [CIN : L29308MH1954PLC009371]. The Transferee Company, is an Indian multinational engaged in the business of air conditioning and provider of engineering solutions specialized in project management. Voltas is engaged in



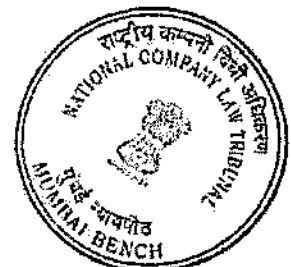
various businesses, including execution of turnkey projects in the field of Heating, Ventilation and Airconditioning, Water Management and Mechanical, Electrical and Plumbing (MEP) projects in India as well as overseas. Voltas is also engaged in manufacturing, marketing, distribution and selling of wide range of Air conditioners, Commercial Refrigeration Products, Air Purifiers and other Cooling Products and also in the business of Engineering Products and Services for Mining and Construction Equipment and Textile Machinery. Voltas has presence in India and overseas through subsidiaries and branches. The equity shares of Voltas are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE").

B. Description of the Scheme

1. This Scheme (as defined hereunder) provides, inter alia, for the amalgamation of the Transferor Company with the Transferee Company, by way of merger by absorption and dissolution of the Transferor Company without winding up.
2. The Amalgamation of the Transferor Company into the Transferee Company shall be in full compliance with the conditions relating to "amalgamation" as provided under Section 2 (1B) and other related provisions of the Income Tax Act such that, inter alia
 - (i) all the properties of the Transferor Company, immediately before the amalgamation, shall become the properties of the Transferee Company, by virtue of the amalgamation.
 - (ii) all the liabilities of the Transferor Company, immediately before the amalgamation, shall become the liabilities of the Transferee Company, by virtue of the amalgamation.

C. Rationale of the Scheme

The Transferor Company under this scheme of merger by absorption is a wholly owned subsidiary of Voltas Limited. The merger of Transferor Company will lead to increase in operational synergies with the existing business of Voltas Limited.



The merger of the Transferor Company with Transferee Company would inter-alia have the below mentioned broad benefits:

- Enhancing shareholder value and leveraging on synergies in doing business;
- Common governance structure and effective management of compliances;
- Consolidation of business to ensure more focused operational efforts, make functioning more efficient, reduce overhead expenses and align with the business plans which will enable to meet the long term objectives of the Group;
- Streamlining the overall structure by reduction in number of entities, legal and regulatory compliances required at present;
- Rationalizing costs by simplification of structure leading to better administration and significant cost savings and management time;
- Reduce time and efforts for consolidation of financials at Voltas Group level, including audit.

D. Parts of the Scheme

The Scheme of Merger by Absorption is divided into following three parts:

- (i) **Part I** – Deals with the definitions and share capital;
- (ii) **Part II** – Deals with Merger of Universal Comfort Products Limited with Voltas Limited; and
- (iii) **Part III** – Deals with the dissolution of the Transferor Company and General Clauses, Terms and Conditions applicable to the Scheme.

PART I

DEFINITIONS, INTERPRETATION AND SHARE CAPITAL

1. Definitions and Interpretation

In this Scheme, unless repugnant to the meaning or context thereof, (i) terms defined in the Introductory paragraphs and recitals shall have the same meanings throughout this Scheme and (ii) the following words and expressions, wherever used (including in the recitals and the introductory paragraphs above), shall have the following meanings:



- 1.1. **'Act' or 'the Act'** means the Companies Act, 2013 of India and Rules made thereunder;
- 1.2. **'Applicable Law(s)'** means any statute, notification, bye laws, rules, regulations, guidelines, rule or common law, policy, code, directives, ordinance, schemes, notices, orders or instructions law enacted or issued or sanctioned by any Appropriate Authority, including any modification or re-enactment thereof for the time being in force;
- 1.3. **'Appointed Date'** means the 1st day of April, 2019;
- 1.4. **'Appropriate Authority'** means any governmental, statutory, regulatory, departmental or public body or authority of India including Securities and Exchange Board of India, Stock Exchanges, Registrar of Companies, the National Company Law Tribunal;
- 1.5. **'Board of Directors' or 'Board'** in relation to the Transferor Company and the Transferee Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised or individuals authorised for the purposes of matters pertaining to the merger, this Scheme and/or any other matter relating thereto;
- 1.6. **'Effective Date'** means the date on which the last of the consents, approvals, permissions, resolutions and orders as mentioned in Clause 21(a) shall be obtained or passed;
- 1.7. **'Encumbrance'** means any mortgage, pledge, equitable interest, assignment by way of security, conditional sales contract, hypothecation, right of other persons, claim, security interest, encumbrance, title defect, title retention agreement, voting trust agreement, interest, option, lien, charge, commitment, restriction or limitation of any nature whatsoever, including restriction on use, voting rights, transfer, receipt of income or exercise of any other attribute of ownership, right of setoff, any arrangement (for the purpose of, or which has the effect of, granting security), or any other security interest of any kind whatsoever, or any



agreement, whether conditional or otherwise, to create any of the same and the term "Encumbered" shall be construed accordingly;

- 1.8. **'Employees'** means all the permanent employees of the Transferor Company who are on the pay-roll of the Transferor Company as on the Effective Date;
- 1.9. **'Governmental Authority'** means (i) a national government, political subdivision thereof; (ii) an instrumentality, board, commission, court, or agency, whether civilian or military, of any of the above, however constituted; and (iii) a government-owned/ government-controlled association, organization in the Republic of India;
- 1.10. **'Scheme'** or **'the Scheme'** or **'this Scheme'** means this Scheme of Merger by Absorption in its present form as submitted to the Tribunal with any modification(s) made under Clause 24 of the Scheme as approved or directed by the Tribunal or such other competent authority, as may be applicable;
- 1.11. **'SEBI'** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.12. **'SEBI Circular'** shall mean the circular issued by the SEBI, being Circular **CFD/DIL3/CIR/2017/21** dated March 10, 2017 as amended by Circular **CFD/DIL3/CIR/2018/2** dated January 3, 2018, and any amendments thereof;
- 1.13. **'Stock Exchanges'** means the BSE Limited and National Stock Exchange of India Limited;
- 1.14. **'Tax'** or **'Taxes'** means any and all taxes (direct or indirect), surcharges, fees, levies, cess, duties, tariffs, imposts and other charges of any kind in each case in the nature of a tax, imposed by any Governmental Authority (whether payable directly or by withholding), including taxes based upon or measured by income, windfall or other profits, gross receipts, property, sales, severance, branch profits, customs duties, excise, CENVAT,



withholding tax, self-assessment tax, advance tax, service tax, central goods and services tax, state goods and service tax, integrated goods and service tax, stamp duty, transfer tax, value-added tax, minimum alternate tax, banking cash transaction tax, securities transaction tax, taxes withheld or paid in a foreign country, customs duty and registration fees (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto);

- 1.15. **'Tribunal'** means the National Company Law Tribunal, Mumbai Bench as constituted and authorised as per the applicable provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Sections 230 to 232 of the Companies Act, 2013, if applicable;
- 1.16. **'Undertaking'** means all the undertakings and entire business of the Transferor Company, as a going concern and shall include (without limitation)
- (i) All assets and properties (whether movable or immovable, tangible or intangible, present or future, in possession or reversion, of whatsoever nature and wherever situate) of the Transferor Company, including the manufacturing facilities of the Transferor Company at Pantnagar (Uttarakhand) and the underlying movable and immovable properties pertaining to such facilities, including investments of all kinds, securitized assets, receivables and security receipts, mutual fund investments, all cash and bank balances (including cash and bank balances deposited with any banks or entities), money at call and short notice, loans, advances, contingent rights or benefits, reserves, provisions, funds, benefits of all agreements, bonds, lands, buildings, structures and premises, whether leasehold or freehold (including offices, warehouses, godowns, factories) work-in-progress, current assets (including sundry debtors, bills of exchange, loans and advances), fixed assets, vehicles, furniture, fixtures, share of any joint assets, and other facilities;



- (ii) all permits, registrations, rights, entitlements, licenses, permissions, approvals, subsidies, concessions, clearances, credits, awards, sanctions, allotments, quotas, no-objection certificates, subsidies, Tax deferrals, Tax credits, other claims under Tax laws, incentives (including incentives in respect of Income tax, sales tax, value added tax, service tax, customs duties and goods and services tax), benefits, Tax exemptions, Tax refunds (including those pending with any Tax authority), advantages, benefits and all other rights and facilities of every kind, nature and description whatsoever, authorities, consents, deposits, privileges, exemptions available to the Transferor Company, receivables, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, facsimile connections and installations, utilities, email, internet, leased line connections and installations, electricity and other services, provisions and benefits of all engagements, agreements, contracts, letters of intent, memoranda of understanding, cheques and other negotiable instruments (including post-dated cheques), benefit of assets or properties or other interest held in trust, benefit of any security arrangements, expressions of interest whether under agreement or otherwise, and arrangements and all other interests of every kind nature and description whatsoever enjoyed or conferred upon or held or availed of by and all rights and benefits;
- (iii) all contracts, agreements, memoranda of undertakings, memoranda of agreements, arrangements, undertakings whether written or otherwise, deeds, service agreements or other instruments (including all tenancies, leases, and other assurances in favour of the Transferor Company or powers or authorities granted by or to it) of whatsoever nature along with any contractual rights and obligations, to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Appointed Date;
- (iv) all intellectual property rights including patents, copyrights, trade and service names, service marks, trademarks, domain names and other



intellectual property of any nature whatsoever, goodwill, receivables, belonging to or utilised for the business and activities of the Transferor Company;

- (v) all records, files, papers, computer programs, software licenses, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers, suppliers and employees, customer credit information, customer pricing information, and other records whether in physical or electronic form belonging to or held by the Transferor Company;
- (vi) all present and contingent future liabilities of the Transferor Company including all debts, loans, (whether denominated in rupees or a foreign currency), term deposits, time and demand liabilities, borrowings, bills payable, interest accrued and all other duties, liabilities, undertakings and obligations (including any postdated cheques or guarantees, letters of credit, letters of comfort or other instruments which may give rise to a contingent liability in whatever form); and
- (vii) the Employees of Transferor Company and the Employee Benefit Funds of the Transferor Company, if any.

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 or any statutory modification or re-enactment thereof for the time being in force.

References to clauses and recitals, unless otherwise provided, are to clauses and recitals of and to this Scheme.

The headings herein shall not affect the construction of this Scheme.

Unless the context otherwise requires:



- (i) the singular shall include the plural and vice versa, and references to one gender include all genders.
- (ii) references to a person include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
- (iii) reference to any law or to any provision thereof or to any rule or regulation promulgated thereunder includes a reference to such law, provision, rule or regulation as it may, from time to time, be amended, supplemented or re-enacted, or to any law, provision, rule or regulation that replaces it.

2. Date of Taking Effect and Operative Date

The Scheme set out herein in its present form with or without any modification(s) approved or imposed or directed by the Tribunal or made as per the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.

Any references in the Scheme to 'upon the Scheme becoming effective' or 'effectiveness of the Scheme' shall mean the Effective Date.

3. Share Capital

3.1. The share capital of Transferor Company as at March 31, 2019 is as under:

Particulars	Amount (Rupees)
Authorised Capital	
5,00,00,000 equity shares of Rs.10 each	50,00,00,000
Issued	
2,76,42,000 equity shares of Rs.10 each	27,64,20,000
Subscribed and Paid – up	
2,76,42,000 equity shares of Rs.10 each	27,64,20,000



The equity shares of the Transferor Company are not listed on the Stock Exchanges.

Subsequent to March 31, 2019 and up to the date of approval of this Scheme by the Board of the Transferor Company, there has been no change in the authorised, issued, subscribed and paid-up capital of Transferor Company.

There are no existing commitments, obligations or arrangements by the Transferor Company as on the date of sanction of this Scheme by the Board of Directors to issue any further shares or convertible securities.

3.2. The share capital of Transferee Company as at March 31, 2019 is as under:

Particulars	Amount (Rupees)
Authorised Capital	
- 60,00,00,000 equity shares of Re. 1 per equity share	60,00,00,000
- 40,00,000 preference shares of Rs. 100 per preference share	40,00,00,000
Issued	
33,08,84,740 equity shares of Re. 1 each	33,08,84,740
Subscribed and Paid - up	
33,07,58,840 equity shares of Re. 1 each	33,07,58,840
Less: Calls-in-Arrears 1,25,900 equity shares of Re. 1 each	(1,25,900)

The equity shares of the Transferee Company are listed on BSE and NSE. Subsequent to March 31, 2019 and up to the date of approval of this Scheme by the Board of the Transferee Company, there has been no change in the authorised, issued and subscribed share capital of the Transferee Company.

Subsequent to the close of financial year on March 31, 2019, the Transferee Company had received an amount of Rs.1,800 against Calls-in-Arrears in respect of 1,800 Equity Shares. Accordingly, the Paid-up equity share capital



as on 27th September, 2019 is 33,07,60,640 Equity Shares of Re.1 each with Calls-in-Arrears of 1,24,100 Equity Shares of Re.1 each.

There are no existing commitments, obligations or arrangements by the Transferee Company as on the date of approval of this Scheme by the Board of Directors to issue any further shares or convertible securities.

PART II

MERGER OF TRANSFEROR COMPANY WITH TRANSFEEE COMPANY

SECTION 1 – TRANSFER AND VESTING

4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, pursuant to the sanction of this Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Act, the Undertaking of the Transferor Company shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

5. Vesting of Assets

(a) Without prejudice to the generality of Clause 4 above, upon the coming into effect of this Scheme and with effect from the Appointed Date, all the estate, assets, properties, rights, claims, title, interest and authorities including accretions and appurtenances comprised in the Undertaking of whatsoever nature and where so ever situate shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions of Applicable Laws, if any, without any further act or deed, be and stand transferred to and vested in the Transferee Company and/or be deemed to be transferred to and vested in the Transferee Company, as a going concern so as to become, as and from the Appointed Date, the estate, assets, properties, rights, claims, title, interest and authorities of the Transferee Company.

(b) Without limitation, all the immovable properties (whether freehold or leasehold or licensed or otherwise and all documents of title, rights and



easements in relation thereto), together with the buildings and structures standing thereon and rights and interests in immovable properties of the Transferor Company including floor space index, transferable development rights shall be and stand transferred to and be vested in or be deemed to have been transferred to and be vested in the Transferee Company, as a going concern, without any further act, instrument or deed matter or thing to be made, done or executed upon coming into effect of the Scheme and with effect from the Appointed Date. Without prejudice to the aforesaid, the Transferee Company shall be entitled to and exercise all rights and privileges attached to the immovable properties and shall be liable to pay ground rent, Taxes and to fulfill all obligations in relation to or applicable to such immovable properties. The Transferee Company shall under the provisions of Scheme be deemed to be authorised to execute, if required such instruments, deeds and writing on behalf of the Transferor Company and to implement or carry out all such procedures or compliances to give effect to the provisions of this Scheme. The mutation of the title to the immovable properties shall be made and duly recorded by the appropriate authorities upon the Scheme becoming effective, in accordance with the terms hereof, in favour of the Transferee Company. Any inchoate title or possessory title of the Transferor Company shall be deemed to be the title of the Transferee Company. It is clarified for the removal of doubt that the Transferee Company shall be entitled to execute such deeds, agreements, conveyance and/or documents as may be required to ensure mutation of the title to the immovable properties in favour of the Transferee Company by the appropriate authorities upon the Scheme becoming effective.

- (c) Without prejudice to the provisions of Clause 5(a) and (b) above, in respect of such of the assets and properties of the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of vesting or transfer by delivery or possession, or by endorsement and/or delivery, the same shall stand so transferred or vested by the Transferor Company upon the coming into effect of this Scheme, and shall, become the assets and property of the Transferee Company with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act,



without requiring any deed or instrument of conveyance for transfer or vesting of the same.

- (d) In respect of such of the assets and properties belonging to the Transferor Company (other than those referred to in Clause (b) above) including sundry debtors, receivables, refunds, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi government, local or other authority or body or with any company or other person, the same shall stand transferred to and vested in the Transferee Company and/or be deemed to have been transferred to and vested in the Transferee Company, without any further act, instrument or deed, cost or charge and without any notice or other intimation to any third party, upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- (e) All assets, rights, title, interest, investments and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets, rights, title, interest, investments and properties, which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets, rights, title, interest, investments and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.
- (f) All the profits or Taxes (including advance tax, tax deducted at source, foreign tax credits and MAT credit), Tax Losses, indirect tax credits or



refunds due, GST set off or any costs, charges, expenditure accruing to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, Taxes (namely advance tax, tax deducted at source foreign tax credits and MAT credit), Tax losses, Indirect tax credits or refunds due, GST set off, or any costs, charges, expenditure or losses of Transferee Company, as the case may be upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

- (g) All the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, Tax deferrals, exemptions, goodwill and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges (including Tax benefits and exemptions) enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether on, before or after the Appointed Date, (whether recorded in books of accounts or not), including Tax benefits, Tax refunds and exemptions, shall, under the provisions of Sections 230 to 232 of the Act and all other applicable provisions, if any, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in and/or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become the licenses, permits, registrations, quotas, entitlements, approvals, permissions, registrations, incentives, Tax deferrals, exemptions, goodwill, refunds, and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions upon the coming into effect of this Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 230 to 232 of the Act.

6. Contracts, Deeds, etc.

- (a) Upon the coming into effect of this Scheme with effect from Appointed Date, and subject to the provisions of this Scheme, all contracts, deeds, bonds,



agreements, schemes, arrangements, insurance, letters of Intent, undertaking, policies including licenses, lease arrangements/agreements and other instruments of whatsoever nature, to which the Transferor Company is a party or to the benefit of which Transferor Company 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, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company concerned, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder.

- (b) Without prejudice to the other provisions of this Scheme and notwithstanding that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme, in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, after the Effective Date, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- (c) Without prejudice to the generality of the foregoing, upon the coming into effect of this Scheme and with effect from the Appointed Date, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.



7. Transfer and Vesting of Liabilities

- (a) Upon the coming into effect of this Scheme and with effect from the Appointed Date, all debts and liabilities of the Transferor Company including all secured and unsecured debts (in whatsoever currency), liabilities (including contingent liabilities), duties and obligations of the Transferor Company of every kind, nature and description whatsoever whether present or future, and howsoever arising, along with any charge, encumbrance, lien or security thereon (herein referred to as the "Liabilities") shall, pursuant to the sanction of this Scheme by the Tribunal and under the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company, to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date the Liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause 7, unless otherwise specifically required.
- (b) Where any such debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged by such Transferor Company on or after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to be for and on account of the Transferee Company upon the coming into effect of this Scheme.
- (c) All loans raised and utilised and all liabilities, duties and obligations incurred or undertaken by the Transferor Company on or after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme with effect from Appointed Date and under the provisions of Sections 230 to 232 of the Act, without any further act,



Instrument or deed be stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

- (d) Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time from the Appointed Date to the Effective Date become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and the appropriate effect shall be given in the books of accounts and records of the Transferee Company.

8. Encumbrances

- (a) The transfer and vesting of the assets comprised in the Undertaking to the Transferee Company under Clause 4, Clause 5 and Clause 6 of this Scheme shall be subject to the Encumbrances, if any, affecting the same as hereinafter provided.
- (b) All Encumbrances, if any, existing prior to the Effective Date over the assets of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date, provided that if any of the assets of the Transferor Company have not been Encumbered, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. Further, such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.



- (c) Any reference in any security documents or arrangements (to which the Transferor Company is a party) to the Transferor Company and their respective assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions, the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- (d) Upon the coming into effect of this Scheme, the Transferee Company shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of this Scheme.
- (e) It is expressly provided that, save as herein provided, no other term or condition of the Liabilities transferred to the Transferee Company is amended by virtue of this Scheme except to the extent that such amendment is required statutorily.
- (f) Subject to necessary consents being obtained, if required, the provisions of this Clause 8 shall operate notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings or the terms of sanction or issue or any security document shall stand modified and/or superseded by the foregoing provisions.

9. Employees of Transferor Company

- (a) Upon this Scheme becoming effective, all staff, executives, workmen and other employees of the Transferor Company (herein after referred to as 'Employees') as on the Effective Date, shall deemed to have become Employees of the Transferee Company without interruption of service or break in service as a result of the merger of the Transferor Company with the Transferee Company and on the basis of continuity of service with reference to the Transferor Company from the Appointed Date or their



respective joining date, whichever is later on same terms and conditions and shall not be less favorable than those on which they are engaged by the Transferor Company. The services of such Employees with the Transferor Company upto the Effective Date shall be taken into account for the purpose of all benefits to which the Employees may be eligible under the Applicable Laws. For the purpose of payment of any compensation, gratuity and other terminal benefits, the uninterrupted past services of such Employees with the Transferor Company and such benefits to which the Employees are entitled in the Transferor Company shall also be taken into account, and paid (as and when payable) by the Transferee Company.

- (b) Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of the Employees if any made by the Transferor Company from the Appointed Date to the Effective Date, shall be deemed to be made by Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- (c) It is clarified that save as expressly provided for in this Scheme, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail of any schemes and benefits (including employee stock options, if any) that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company from the Effective Date. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into or deemed to have been entered into by the Transferor Company with any employee of the Transferor Company.
- (d) Insofar as the provident fund, gratuity fund, superannuation fund, retirement fund and any other funds or benefits created by the Transferor Company for



its Employees or to which the Transferor Company is contributing for the benefit of its Employees (collectively referred to as the "Funds") are concerned, the Funds or such part thereof as relates to the Employees (including the aggregate of all the contributions made to such Funds for the benefit of the Employees, accretions thereto and the investments made by the Funds in relation to the Employees) shall be transferred to the Transferee Company and shall be held for the benefit of the concerned Employees. As the Transferee Company has its own funds in respect of any of the employee benefits referred to above, the Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be merged with the relevant funds of the Transferee Company.

- (e) In relation to those Employees for whom the Transferor Company is making contributions to the government provident fund or other employee benefit fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such Employees, such that all the rights, duties, powers and obligations of the Transferor Company as the case may be in relation to such schemes/ Funds shall become those of the Transferee Company.

10. Legal, Taxation and other Proceedings

- (a) Upon the coming into effect of this Scheme, all suits, actions, and other proceedings including legal and taxation proceedings, (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company pending on the Effective Date shall be continued and/ or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been instituted by or against the Transferee Company.
- (b) If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal



proceedings may be continued, prosecuted and enforced by or against Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

- (c) In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company, Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of Transferee Company.
- (d) Without prejudice to the provisions of Clauses 4 to 10 , with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

SECTION 2 - CONDUCT OF BUSINESS

11. From the date on which the Boards of Directors of the Transferor Company and the Transferee Company approve this Scheme until the Effective Date:

- (a) the Transferor Company shall carry on and be deemed to have carried on all business and activities and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all its estates, assets, rights, title, interest, authorities, contracts and investments for and on account of, and in trust for, the Transferee Company;
- (b) The Transferor Company shall carry on their business and activities with due business prudence and diligence and shall not, without prior written consent of the Transferee Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage, encumber or otherwise deal with any part of its assets nor incur or accept or acknowledge any debt, obligation or liability except as is necessary in the ordinary course of business.



- (c) all profits and income accruing or arising to the Transferor Company, and losses and expenditure arising or incurred by it (including Taxes, if any, accruing or paid in relation to any profits or income) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including Taxes), as the case may be, of the Transferee Company;
- (d) any of the rights, powers, authorities or privileges exercised by the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of, and in trust for and as an agent of the Transferee Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken for and on behalf of and as an agent for the Transferee Company; and
- (e) all Taxes paid or payable by the Transferor Company in respect of the operations and/or the profits of the Transferor Company before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the Tax payment, whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferor Company with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and, shall, in all proceedings, be dealt with accordingly.
- (f) Pending sanction of the Scheme, the Transferor Company shall not, except by way of issue of shares / convertible debentures to the Transferee Company, increase its capital by fresh issue of shares, convertible debentures or otherwise.

SECTION 3 – CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANY

12. Upon the Scheme coming into effect, all the shares of the Transferor Company held by the Transferee Company (either directly and/or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that



no new shares shall be issued or no payment/consideration shall be made whatsoever by the Transferee Company in lieu of cancellation of such shares of the Transferor Company.

SECTION 4 - CHANGES TO THE SHARE CAPITAL OF THE TRANSFEROR COMPANY AND THE TRANSFEEE COMPANY.

13. Re-organisation of the Authorised Share Capital of the Transferor Company

- (I) As a part of this Scheme, in part or in whole, and as an integral part of the Scheme, the resultant Authorised Share Capital of the Transferor Company shall be reclassified/reorganized such that each equity share of Rs. 10 each of the Transferor Company is reclassified as 10 equity shares of Re. 1 each.
- (II) It is clarified that the approval of the shareholders of the Transferor Company to this Scheme shall be deemed to be their consent/approval to the reclassification of the Authorised Share Capital envisaged under Clause 13(I) above as required under Sections 13, 61 and other applicable provisions of the Act.

14. (I) As a part of this Scheme, and, upon the coming into effect of this Scheme, the Authorised Share Capital of the Transferee Company shall automatically stand increased, without any further act, instrument or deed on the part of the Transferee Company, if any, including payment of stamp duty and fees payable to Registrar of Companies, by the aggregate Authorised Share Capital of the Transferor Company.

- (II) Pursuant to the Scheme becoming effective and consequent upon the merger of the Transferor Company into Transferee Company, the Authorised Share Capital of the Transferee Company will be as under:

Authorised Share Capital	Amount (Rupees)
110,00,00,000* Equity Shares of Re.1 each	110,00,00,000
40,00,000 Preference Shares of Rs.100 each	40,00,00,000
Total	150,00,00,000



* Post adjustment of face value of equity shares of Rs.10 of the Transferor Company into face value of equity shares of Re.1 of the Transferee Company.

15. Amendment to the Memorandum of Association and Articles of Association of the Transferee Company

- (1) Pursuant to the reclassification, consolidation and increase of Authorised Share Capital as prescribed under Clauses 13 and 14 above, the Memorandum of Association and Articles of Association of the Transferee Company (relating to the Authorised Share Capital) shall, without any requirement of further act, instrument or deed, be and stand altered, modified and amended, such that Clause V of the Memorandum of Association shall be replaced by the following:

"The Authorised Share Capital of the Company is Rs.150,00,00,000 (Rupees One Hundred Fifty Crores only) divided into 110,00,00,000 (One Hundred Ten Crores) Equity Shares of Re.1/- (Rupee One only) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs.100/- (Rupees One Hundred only) each with rights, privileges and conditions attaching thereto as are provided by the Articles of Association of the Company for the time being with power to increase and 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 by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Companies Act or provided by the Articles of Association of the Company for the time being."

and Article 5 of the Articles of Association shall be replaced by the following:

"The Authorised Share Capital of the Company is Rs.150,00,00,000 (Rupees One Hundred Fifty Crores only) divided into 110,00,00,000 (One Hundred



Ten Crores) Equity Shares of Re. 1/- (Rupee One only) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred only) each."

- (ii) It is clarified that the consent of the shareholders of the Transferee Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the abovementioned amendments and the increase of Authorised Share Capital of the Transferee Company pursuant to Clauses 13 and 14 and no further resolution (s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Act, if any, would be required to be separately passed.
- (iii) In accordance with Section 232(3)(i) of the Act and Applicable Law, the stamp duties and/or fees (including registration fee) paid on the Authorised Share Capital of the Transferor Company shall be utilized and applied to the increased Authorised Share Capital of the Transferee Company pursuant to Clauses 13 and 14 above and no stamp duties and/or fees would be payable for the increase in the Authorised Share Capital of the Transferee Company to the extent of the Authorised Share Capital of the Transferor Company. The Transferee Company shall file requisite forms with the Registrar of Companies, Maharashtra, Mumbai.

PART III

DISSOLUTION OF TRANSFEROR COMPANY. GENERAL

CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THE SCHEME

16.(a) Applicability of provisions of Income Tax Act

- (i) The provisions of this Scheme as they relate to the merger of Transferor Company with Transferee Company has been drawn up to comply with the conditions relating to 'amalgamation' as defined under Section 2(1B) of the Income-tax Act, 1961 (hereinafter referred to as Income Tax Act). If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income-tax Act, at a later date including resulting from an amendment of law or for any



other reason whatsoever, the provisions of the said Section of the Income-tax Act, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income-tax Act. Such modification will, however, not affect the other parts of the Scheme.

- (ii) Upon the Scheme becoming effective, the Transferee Company is expressly permitted to revise its financial statements and returns along with prescribed forms, filings and annexures under the Income Tax Act (including for minimum alternate tax purposes, carry forward and set-off of tax losses and tax benefits), service tax law, VAT laws, sales tax laws, excise duty laws, customs duty laws, CGST, SGST, IGST and other tax laws and to claim refunds and/or credits for Taxes paid (including minimum alternate tax), and to claim Tax benefits under the Income Tax Act and other tax laws (including STPI or SEZ benefits) etc. and for matters incidental thereto, if required to give effect to the provisions of this Scheme.

(b) Tax Treatment

- (i) Upon the Scheme coming into effect, all Taxes (direct and/or indirect)/ cess/ duties payable by or on behalf of the Transferor Company from the Appointed Date onwards including all or any refunds and claims, including refunds or claims pending with any Governmental Authority and including the right to claim credit for minimum alternate tax, set-off and carry forward of accumulated losses, unabsorbed tax depreciation, book losses, book depreciation, deferred revenue expenditure, deduction, rebate, allowance, amortization benefit, etc. under the Income Tax Act, 1961, or any other or like benefits under the said acts or under and in accordance with any law or act, whether in India or anywhere outside India and unutilized CENVAT credit, VAT credit, Input tax credit for CGST, SGST and IGST, etc. shall, for all purposes, be treated as the Tax, liabilities or refunds, claims, accumulated losses and unutilized CENVAT credits, VAT credit, CGST, SGST and IGST credits and rights to claim credit, tax benefits or refund etc. of the Transferee Company. Accordingly, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its income tax returns, sales tax



returns, excise and CENVAT returns, service tax returns, other statutory returns, CGST returns, SGST returns, IGST returns and to claim refunds/ credits, pursuant to the provisions of this Scheme.

- (ii) The Transferee Company shall also be permitted to claim refunds / credits in respect of any transaction between the Transferor Company and the Transferee Company. Without prejudice to the generality of Clause 16(b)(i) above, upon the Scheme becoming effective, the Transferee Company shall be permitted to revise, if it becomes necessary, its Tax returns, withholding tax return and related withholding tax certificates, including withholding tax certificates relating to transactions between the Transferor Company and the Transferee Company, and to claim refunds, Tax credits, advance tax and withholding tax credits, benefit of credit for minimum alternate tax and carry forward of accumulated losses etc., pursuant to the provisions of this Scheme.
- (iii) The withholding tax/ advance tax/ minimum alternate tax, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from the Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such withholding tax/advance tax/minimum alternate tax shall be allowed to the Transferee Company notwithstanding that certificates or challans for withholding tax/advance tax are in the name of the Transferor Company and not in the name of the Transferee Company.
- (iv) The service tax, VAT, excise duty, customs duty and sales tax under the pre - GST regime and in the GST regime, CGST, SGST and IGST paid by the Transferor Company under the Finance Act, 1994 and/ or Central Goods and Service Tax Act, Integrated Goods and Service Tax Act and Union Territory Goods and Service Tax Act in respect of services provided by the Transferor Company for the period commencing from the Appointed Date shall be deemed to be the service tax, CGST, SGST, IGST paid by the Transferee Company and credit for such service tax, CGST, SGST, IGST shall be allowed to the Transferee Company notwithstanding



that challans for service tax payments, CGST payment, SGST payment, IGST payment are in the name of the Transferor Company and not in the name of the Transferee Company.

- (v) Any Tax liability under the Income Tax Act, 1961 or any other applicable Tax laws or regulations allocable to the Transferor Company whether or not provided for or covered by any Tax provisions in the accounts of the Transferor Company made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company. Any surplus in the provision for Taxation or duties or levies in the accounts of the Transferor Company including advance tax and tax deducted at source as on the close of business in India on the date immediately preceding the Appointed Date will also be transferred to the account of the Transferee Company.
- (vi) All Tax assessment proceedings and appeals of whatsoever nature by or against the Transferor Company pending or arising as at the Appointed Date shall be continued and/or enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in this Scheme.
- (vii) Transferee Company shall be entitled to claim deduction in respect of expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company with the Transferee Company in accordance with this Scheme including stamp duty expenses, if any, as deduction to the Transferee Company in accordance with relevant provisions of the Income Tax Act, 1961.

17. Accounting Treatment

Notwithstanding anything to the contrary contained herein, upon this Scheme becoming effective, the Transferee Company shall give effect to the accounting treatment in relation to the amalgamation in its books of account in accordance



with Ind AS 103- 'Business Combinations' read with Appendix C to Ind AS 103- 'Business Combinations'.

- (i) The assets, liabilities and reserves pertaining to the Transferor Company would be recognized at the carrying values.
- (ii) No adjustments shall be made to reflect fair values or recognize any new assets or liabilities. The only adjustments made, will be made so as to harmonize the accounting policies.
- (iii) The balance of the retained earnings and general reserve appearing in the financial statements of the Transferor Company shall be aggregated with the corresponding balance appearing in the financial statements of the Transferee Company.
- (iv) Inter-Company balances between Transferee Company and Transferor Company, if any, shall stand cancelled.
- (v) The equity share capital of the Transferor Company and the corresponding Investment in equity shares of the Transferor Company made by the Transferee Company shall be cancelled and the difference, if any, shall be transferred to Capital Reserve.
- (vi) The financial information in the financial statements in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements as required by Ind AS 103.

18. Resolutions

- (a) Upon the coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added



to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

- (b) Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 180 of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.

19. Savings of concluded transactions

The transfer and vesting of undertaking under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 10 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto, as if done and executed on its behalf.

20. Dissolution of the Transferor Company

- (a) Upon the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up without any further act or deed.
- (b) Even after the Scheme becoming effective, the Transferee Company shall be entitled to operate all bank accounts relating to Transferor Company and realize all monies and complete and enforce all pending contracts and transactions in the name of Transferor Company insofar as may be necessary until the transfer and vesting of rights and obligations of the Transferor Company to the Transferee Company under this Scheme is formally effected by the parties concerned.



21. Conditions Precedent

- (a) The effectiveness of the Scheme is conditional upon and subject to:
- (i) The requisite sanction or approval of the Appropriate Authorities from India being obtained and/or granted in relation to any of the matters in respect of which such sanction or approval is required;
 - (ii) This Scheme being approved by the respective requisite majority of shareholders of the Transferor Company and the Transferee Company, if required under the Act and as may be directed by the Tribunal under Sections 230 to 232 of the Act;
 - (iii) The certified copy of the order of the Tribunal under Sections 230 to 232 and other applicable provisions of the Act sanctioning the Scheme being filed with the Registrar of Companies, Mumbai by the Transferor and Transferee Company(ies);
 - (iv) Such other approvals and sanctions as may be required by Applicable Law in respect of this Scheme being obtained.
- (b) On the approval of this Scheme by the shareholders of the Transferor Company and the Transferee Company, if required, such shareholders shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the merger set out in this Scheme, related matters and this Scheme itself.

22. Effect of Non Receipt of Approvals/Sanctions

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by the Appropriate Authority and / or the Order not being passed as aforesaid within such period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the Transferor Company and Transferee Company are



hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

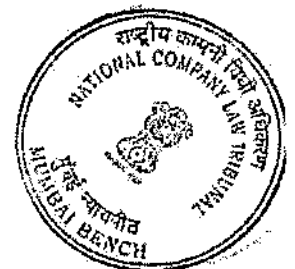
23. Applications

The Transferor Company and the Transferee Company, if required shall, with all reasonable dispatch, make applications/ petitions to the Tribunal under Sections 230 to 232 and other applicable provisions, of the Act, for sanctioning of this Scheme.

The Transferor Company shall take all necessary steps for sanctioning of this Scheme and for its dissolution without winding up, and apply for and obtain such other approvals, if any, required under the law.

24. Modifications or amendments to the Scheme

(a) The Transferor Company and the Transferee Company, through their respective Board of Directors, may assent from time to time on behalf of all the persons concerned to any modifications or amendments or additions to this Scheme subject to approval of the Tribunal or to any conditions or limitations which the Tribunal and/or any other competent authorities, if any, under the law may deem fit and approve of or impose and which the Transferor Company and the Transferee Company may in their discretion deem fit and may resolve all doubts or difficulties that may arise for carrying out this Scheme and do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards of Directors, a Committee of the concerned Board or any Director, or Executive authorised in that behalf by the concerned Board of Directors (hereinafter referred to as the 'Delegate').



- (b) For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Delegate of the Transferor Company or the Transferee Company may give and is hereby authorised to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in this Scheme.

25. Costs, Charges and Expenses

All costs, charges, Taxes, including stamp duties, levies and all other expenses, if any (save as expressly otherwise agreed) of the Transferor Company and the Transferee Company arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by the Transferee Company.



VOLTAS LIMITED

MUMBAI

AGREEMENTS

The Deccan Merchants Co-op. Bank Ltd.
BYCULLA BR., 154/164-A, BHIMPA SADAN
DR. AMBEDKAR ROAD, BYCULLA (EAST)
MUMBAI - 400 027

PPS

Authorised Signatory

D-5/STP(V)/C.R.1093/02/18/716-14/18

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AGREEMENT

THIS AGREEMENT (hereinafter the "Agreement") made on the 27 day of February, 2018.

Between

Voltas Limited, a Company incorporated under the provisions of the Indian Companies Act, 1913 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400 033 (hereinafter called "the Company", which expression shall unless repugnant to the context include its successors and assigns) of the One Part

And

Mr. Pradeep Bakshi, Managing Director & CEO, (hereinafter called "Mr. Bakshi" or the "Managing Director" as the case may be), residing at AO-73, TPCO Group Housing Society, Kala Kunj, Shalimar Bagh, Delhi 110 088 of the Other Part.

W
PPS

J

[Handwritten signature]

WHEREAS the Board of Directors of the Company (hereinafter called the "Board") had at its Meeting held on 8th June, 2017 appointed Mr. Pradeep Bakshi as the Executive Director of the Company for a period of three years ("Term") with effect from 1st September, 2017 on certain terms and conditions and remuneration, subject to approval of the shareholders at a General Meeting. An Agreement dated 1st September, 2017 providing for his terms and conditions and remuneration was executed between the Company and Mr. Pradeep Bakshi.

AND WHEREAS the Board had at its Meeting held on 16th October, 2017, appointed Mr. Pradeep Bakshi as Managing Director & CEO (Designate) with effect from 16th October, 2017 and as the Managing Director & CEO with effect from 10th February, 2018 for a term upto 31st August, 2020, on the same terms and conditions and remuneration as earlier approved on 8th June, 2017 which are subject to approval of the shareholders at the General Meeting.

AND WHEREAS Mr. Pradeep Bakshi has agreed to serve the Company upon the terms and conditions and remuneration as contained in the Resolution passed by the Board at its Meeting held on 8th June, 2017 and in the Agreement to be executed between the Company and the Managing Director, subject to the approval of the shareholders of the Company. The Agreement dated 1st September, 2017 earlier executed with Mr. Bakshi as an Executive Director of the Company has since been determined by mutual agreement on 9th February, 2018.

AND WHEREAS the Parties hereto are desirous of entering into an agreement, being these presents, to record the terms and conditions aforesaid.

NOW THESE PRESENTS WITNESSETH AND IT IS HEREBY AGREED as follows:

1. Definitions and interpretation

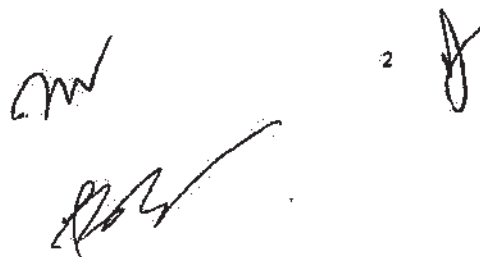
1.1 Definitions

1.1.1 'Act' means the Companies Act, 2013, as amended, modified or re-enacted from time to time.

1.1.2 'Confidential Information' includes information relating to the business, products, affairs and finances of the Company or any of its associated companies or subsidiaries for the time being confidential to it or to them and trade secrets (including without limitation technical data and know-how) relating to the business of the Company, its subsidiaries or of any of its associated companies or of any of its or their suppliers, clients or customers.

1.1.3 'Intellectual Property' includes patents, trademarks whether registered or unregistered, registered or unregistered designs, utility models, copyrights including design copyrights, applications for any of the foregoing and the right to apply for them in any part of the world, discoveries, creations, inventions or improvements upon or additions to an invention, Confidential Information, know-how and any research effort relating to any of the above mentioned business, names whether registrable or not, moral rights and any similar rights

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in any country of the Company or any of its associated companies or subsidiaries.

1.1.4 'Parties' means collectively the Company and the Managing Director and "Party" means individually each of the Parties.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

1.2.1 Any reference herein to any clause is to such Clause. The Recitals and Clauses to this Agreement including this Interpretation Clause shall be deemed to form part of this Agreement;

1.2.2 The headings are inserted for convenience only and shall not affect the construction of this Agreement;

1.2.3 Words importing the singular include the plural and vice versa, and words importing a gender include each of the masculine, feminine and neuter gender;

2. **Term and Termination**

2.1 Subject as hereinafter provided, this Agreement shall remain in force from 10th February, 2018 to 31st August, 2020 unless terminated earlier.

2.2 This Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board), in lieu of such notice.

3. **Duties & Powers**

3.1 The Managing Director shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associated companies and / or subsidiaries, including performing duties as assigned to the Managing Director from time to time by serving on the boards of such associated companies and / or subsidiaries or any other executive body or any committee of such a company.

3.2 The Managing Director shall not exceed the powers so delegated by the Board pursuant to clause 3.1 above.

3.3 The Managing Director undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

3.4 Mr. Bakshi shall undertake his duties from such location as may be directed by the Board.

4. **Remuneration**

4.1 So long as the Managing Director performs his duties and conforms to the terms and conditions contained in this Agreement, he shall, subject to such approvals as may be required, be entitled to the following remuneration subject to deduction at source of all applicable taxes in accordance with the laws for the time being in force.

(i) **Salary:**

Rs.5,00,000 per month, upto a maximum of Rs.10,00,000 per month.

The annual increments which will be effective 1st April each year, would be recommended by the Nomination & Remuneration Committee (NRC) and approved by the Board and will be merit-based and take into account the Company's performance.

(ii) **Benefits, Perquisites and Allowances:**

In addition to Salary, the Managing Director shall be entitled to:

(A) Rent-free residential accommodation (furnished or otherwise), the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for the said accommodation.

OR

House Rent, House Maintenance and Utility Allowances aggregating 85% of the salary. (*in case residential accommodation is not provided by the Company*)

(B) Hospitalisation, Transport, Telecommunication and other facilities, as per the Rules of the Company:

(i) Hospitalisation and major medical expenses for self, spouse and dependent children;

(ii) Car, with driver provided, maintained by the Company for official and personal use or allowances in lieu thereof.

(iii) Telecommunication facilities including broadband, internet and fax.

(iv) Housing Loan facility.

(C) Other Perquisites and Allowances:

	<u>% of Salary</u>
(a) Allowances	33.34%
(b) Leave Travel Concession/Allowance	8.33%
(c) Medical reimbursement/allowance	8.33%
(d) Others (Personal Accident insurance, Club membership fees, etc.)	<u>5.00%</u>
	<u>55%</u>

(D) Contribution to Provident Fund, Superannuation Fund and Gratuity Fund as per the Rules of the Company.

(E) Mr. Bakshi shall be entitled to leave and gratuity in accordance with the Rules of the Company. Privilege Leave earned but not availed by him is encashable, in accordance with the Rules of the Company.

(iii) **Commission:** In addition to Salary, Benefits, Perquisites and Allowances, Mr. Bakshi would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to Mr. Bakshi, will be based on his performance as evaluated by the Board or NRC and approved by the Board and will be payable annually, after the Annual Accounts have been approved by the Board.

(iv) **Incentive Remuneration:** Incentive Remuneration to be paid annually, upto an amount not exceeding 200% of basic salary at the discretion of the Board, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

The Board, on recommendation of the NRC, will take appropriate decision on payment of incentive remuneration or commission, after taking into consideration the performance of the Company on certain defined qualitative and quantitative parameters (as decided by the Board from time to time); industry benchmarks of remuneration and performance of Mr. Pradeep Bakshi.

4.2 **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Bakshi, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Bakshi, remuneration by way of Salary, Benefits, Perquisites and Allowances and Incentive Remuneration, as specified above.



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4.3 **Insurance:** The Company will take an appropriate Directors' and Officers' Liability Insurance policy and pay the premium for the same. It is intended to maintain such insurance cover for the entire period of his appointment, subject to the terms and conditions of such policy in force from time to time. A copy of the policy document shall be supplied on request.

5. **Variation**

The terms and conditions of the appointment of the Managing Director and / or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.

6. **Intellectual Property**

6.1 The Parties acknowledge that the Managing Director may make, discover or create Intellectual Property (IP) in the course of his employment and agree that in this respect, the Managing Director has a special obligation to protect such IP and use it to further the interests of the Company, or any of its associated companies or subsidiaries.

6.2 Subject to the provisions of the laws relating to intellectual property for the time being in force in India, if at any time during his employment, the Managing Director makes or discovers or participates in the making or discovery of any IP relating to or capable of being used in the business for the time being carried on by the Company or any of its subsidiaries or associated companies, full details of the Intellectual Property shall immediately be communicated by him to the Company and such IP shall be the absolute property of the Company. At the request and expense of the Company, the Managing Director shall give and supply all such information, data, drawings and assistance as may be required to enable the Company to exploit the IP to its best advantage and the Managing Director shall execute all documents and do all things which may be necessary or desirable for obtaining patent or other protection for the Intellectual Property in such parts of the world as may be specified by the Company and for vesting the same in the Company or as it may direct.

6.3 The Managing Director hereby irrevocably appoints the Company as his attorney in his name and on his behalf to sign or execute any such instrument or do any such thing and generally to use his name for the purpose of giving to the Company or its nominee the full advantage of the provisions of this clause 6 and if in favour of any third Party, a certificate in writing signed by any director or the secretary of the Company that any instrument or act falls within the authority conferred by this clause shall be conclusive evidence that such is the case.

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6.4 If the IP is not the property of the Company, the Company shall, subject to the provisions of the applicable laws for the time being in force, have the right to acquire for itself or its nominee, the Managing Director's rights in the IP within 3 months after disclosure pursuant to clause 6.2 above on fair and reasonable terms.

6.5 The rights and obligations under this clause shall continue in force after termination of the Agreement in respect of IP relating to the period of the Managing Director's employment under the Agreement and shall be binding upon his heirs and legal representatives.

7. Confidentiality

7.1 The Managing Director is aware that in the course of his employment, he will have access to and be entrusted with information in respect of the business and finances of the Company including intellectual property, processes and product specifications, etc. and relating to its dealings, transactions and affairs and likewise in relation to its subsidiaries, associated companies, customers or clients all of which information is or may be of a confidential nature.

7.2 The Managing Director shall not except in the proper course of performance of his duties during or at any time after the period of his employment or as may be required by law divulge to any person whatever or otherwise make use of and shall use his best endeavours to prevent the publication or disclosure of any Confidential Information of the Company or any of its subsidiaries or associated companies or any of its or their suppliers, agents, distributors or customers.

7.3 All notes, memoranda, documents and Confidential Information concerning the business of the Company and its subsidiaries or associated companies or any of its or their suppliers, agents, distributors or customers which shall be acquired, received or made by the Managing Director during the course of his employment shall be the property of the Company and shall be surrendered by the Managing Director to the Company upon the termination of his employment or at the request of the Board at any time during the course of his employment.

8. Non-competition

The Managing Director covenants with the Company that he will not, during the continuance of his employment with the Company, without the prior written consent of the Board, carry on or be engaged, directly or indirectly, either on his own behalf or on behalf of any person, or as manager, agent, consultant or employee of any person, firm or company, in any activity or business, in India or overseas, which shall directly or indirectly be in competition with the business of the Company or its holding company or its subsidiaries or associated companies. The application of this clause needs to be read in conjunction with the relevant clauses in the Tata Code of Conduct, referred to in Clause 10 below.

Handwritten signatures and initials:
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9. **Selling Agency**
The Managing Director, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company.
10. **Tata Code of Conduct**
The provisions of the Tata Code of Conduct shall be deemed to have been incorporated into this Agreement by reference. The Managing Director shall during his term, abide by the provisions of the Tata Code of Conduct in spirit and in letter and commit to assure its implementation.
11. **Personnel Policies**
All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Managing Director, unless specifically provided otherwise.
12. **Summary termination of employment**
The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice:
- (a) if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or
 - (b) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations contained in the Agreement; or
 - (c) in the event the Board expresses its loss of confidence in the Managing Director.
13. **Termination due to physical / mental incapacity**
In the event the Managing Director is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.
14. **Resignation from directorships**
Upon the termination by whatever means of his employment under the Agreement:
- (a) the Managing Director shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and shall resign as trustee of any trusts connected with the Company.

- (b) the Managing Director shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associated companies.

15. **Agreement co-terminus with employment / directorship**

- (a) Mr. Bakshi shall be liable to retire by rotation.
- (b) If and when this Agreement expires or is terminated for any reason whatsoever, Mr. Bakshi will cease to be the Managing Director and also cease to be a Director of the Company. If at any time, the Managing Director ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director and this Agreement shall forthwith terminate. If at any time, the Managing Director ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director of the Company.

16. **Other Directorships**

The Managing Director covenants with the Company that he will not during the continuance of his employment with the Company accept any other directorships in any company or body corporate without the prior written consent of the Board.

17. **Non-Solicitation**

The Managing Director covenants with the Company that he will not for a period of 1 year immediately following the termination of his employment under this Agreement, without the prior written consent of the Board endeavour or entice away from the Company any senior employee (General Manager and above) who has at any time during the last three years immediately preceding such termination been employed or engaged by the Company or any subsidiaries or associate companies at any time during the last three years immediately preceding termination.

18. **Notices**

Notices may be given by either Party by letter addressed to the other Party at, in the case of the Company, its registered office for the time being and in the case of the Managing Director, his last known address and any notice given by letter shall be deemed to have been given at the time at which the letter would be delivered in the ordinary course of post or if delivered by hand upon delivery and in proving service by post it shall be sufficient to prove that the notice was properly addressed and posted by hand or by electronic mail.

19. **Miscellaneous**

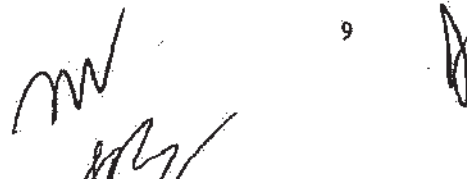
19.1 **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of India.

19.2 **Jurisdiction**

The Parties have agreed to the exclusive jurisdiction of the Indian courts.

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19.3 Entire Agreement

This Agreement contains the entire understanding between the Parties and supersedes all previous written or oral agreements, arrangements, representations, and understandings (if any) relating to the subject matter hereof. The Parties confirm that they have not entered into this Agreement upon the basis of any representations that are not expressly incorporated into this Agreement. Neither oral explanation nor oral information given by any Party shall alter or affect the interpretation of this Agreement.

19.4 Waiver

A waiver by either Party of a breach of the provision(s) of this Agreement shall not constitute a general waiver, or prejudice the other Party's right otherwise to demand strict compliance with that provision or any other provisions in this Agreement.

19.5 Severability

Each term, condition, covenant or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant or provision shall be held by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to operate.

19.6 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute the same agreement.

IN WITNESS WHEREOF these presents have been executed by the Parties hereto on the day and year first above written.

The Common Seal of Voltas Limited was hereunto affixed in the presence of Mr. Noel N. Tata, Chairman and Mr. Nani Javeri, Director of Voltas Limited

VOLTAS LIMITED

Noel N. Tata

(NOEL N. TATA)
CHAIRMAN

VOLTAS LIMITED

Nani Javeri
DIRECTOR

SIGNED, SEALED AND DELIVERED
by the said Mr. Pradeep Bakshi

Pradeep Bakshi

in the presence of Mr. V. P. Malhotra

V. P. Malhotra



महाराष्ट्र MAHARASHTRA

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XG 600217

प्रधान मुद्रांक कार्यालय, मुंबई
प.मु.वि.क्र. १०००००३
27 OCT 2020
सक्षम अधिकारी

AGREEMENT

श्री. सी. टी. आंबेकर

THIS AGREEMENT (hereinafter the "Agreement") made on the 20th day of November, 2020.

Between

Voltas Limited, a Company incorporated under the provisions of the Indian Companies Act, 1913 and having its Registered Office at Voltas House 'A', Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai 400 033 (hereinafter called "the Company", which expression shall unless repugnant to the context include its successors and assigns) of the One Part

And

Mr. Pradeep Bakshi, Managing Director & CEO, (hereinafter called "Mr. Bakshi" or the "Managing Director & CEO" as the case may be), having permanent residential address at AO-73, Kala Kunj, Shalimar Bagh, Delhi 110 088 of the Other Part.

(Handwritten signatures of Mr. Pradeep Bakshi and Mr. C. T. Ambedkar)

009924

Annexure - 1

VOLTAS LIMITED

Voltas House "A", 4th Floor,
Dr. Babasaheb Ambedkar Road,
Chinchpokli, Mumbai - 400 033.

Only for Affidavit

सुद्विक विवरण तयार करणे बाबत

सुद्विक विवरण तयार करणे बाबत

सुद्विक विवरण तयार करणे बाबत

- 6 NOV 2020

- 6 NOV 2020



सहकारी कर्मचाऱ्याची सही

सुद्विक विवरण तयार करणे बाबत

परपत्र क्रमांक : ६०००००३

सुद्विक विवरण तयार करणे बाबत श्री. अशोक राहुनाथ कदम

२६०, शहिद अजित सिंह रोड, २६५, आनंद भुयान, फ्लॉट, मुंबई-४०० ००९

श्री. अशोक राहुनाथ कदम यांच्याकडून प्राप्त झालेल्या सुद्विक विवरणावर प्रतिसाद देण्याबाबत सादर करणेसाठी सुद्विक

विवरण तयार करणे बाबत. (साक्षर आदेश दि. ०५/०९/२००४) नुसार

ज्या कारणासाठी जगांनी सुद्विक विवरण तयार करणे बाबत त्याच कारणासाठी सुद्विक विवरण तयार करणे बाबत. (साक्षर आदेश दि. ०५/०९/२००४) नुसार

केवळ साक्षर आदेशावरूनच सुद्विक विवरण तयार करणे बाबत.

WHEREAS the Board of Directors of the Company (hereinafter called the "Board") had at its Meeting held on 29th May, 2020, based on the recommendation of the Nomination and Remuneration Committee (NRC) reappointed Mr. Pradeep Bakshi as the Managing Director & CEO of the Company for a further period of five years ("Term") with effect from 1st September, 2020, subject to the approval of the Shareholders of the Company.

AND WHEREAS at the Sixty-Sixth Annual General Meeting of the Company held on 21st August, 2020, the Shareholders have approved the reappointment of Mr. Pradeep Bakshi as the Managing Director & CEO of the Company for a term of five years with effect from 1st September, 2020, pursuant to the provisions of Sections 196, 197, and other applicable provisions, if any, and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 on the terms and conditions as contained in this Agreement, with liberty to the Directors to alter any terms and conditions of the appointment in such manner as may be agreed to between the Directors and Mr. Pradeep Bakshi.

AND WHEREAS the Parties hereto are desirous of entering into an Agreement, being these presents, to record the terms and conditions aforesaid.

NOW THESE PRESENTS WITNESSETH AND IT IS HEREBY AGREED as follows:

1. Definitions and interpretation

1.1 Definitions

1.1.1 'Act' means the Companies Act, 2013, as amended, modified or re-enacted from time to time.


1.1.2 'Confidential Information' includes information relating to the business, products, affairs and finances of the Company or any of its associated companies or subsidiaries for the time being confidential to it or to them and trade secrets (including without limitation technical data and know-how) relating to the business of the Company, its subsidiaries or of any of its associate companies or of any of its or their suppliers, clients or customers.

1.1.3 'Intellectual Property' includes patents, trademarks whether registered or unregistered, registered or unregistered designs, utility models, copyrights including design copyrights, applications for any of the foregoing and the right to apply for them in any part of the world, discoveries, creations, inventions or improvements upon or additions to an invention, Confidential Information, know-how and any research effort relating to any of the above mentioned business, names whether registrable or not, moral rights and any similar rights in any country of the Company or any of its associate companies or subsidiaries.

1.1.4 'Parties' means collectively the Company and the Managing Director & CEO and "Party" means individually each of the Parties.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:



1.2.1 Any reference herein to any clause is to such Clause. The Recitals and Clauses to this Agreement, including this Interpretation Clause shall be deemed to form part of this Agreement;

1.2.2 The headings are inserted for convenience only and shall not affect the construction of this Agreement;

1.2.3 Words importing the singular include the plural and vice versa, and words importing a gender include each of the masculine, feminine and neuter gender;

2. Term and Termination

2.1 Subject as hereinafter provided, this Agreement shall remain in force from 1st September, 2020 to 31st August, 2025 unless terminated earlier.

2.2 This Agreement may be terminated earlier, without any cause, by either Party by giving to the other Party, six months' notice of such termination or the Company paying six months' remuneration which shall be limited to provision of Salary, Benefits, Perquisites, Allowances and any pro-rated Incentive Remuneration (paid at the discretion of the Board), in lieu of such notice.

3. Duties & Powers

3.1 The Managing Director & CEO shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associate companies and / or subsidiaries, including performing duties as assigned to the Managing Director & CEO from time to time by serving on the Boards of such associate companies and / or subsidiaries or any other executive body or any committee of such a company.

3.2 The Managing Director & CEO shall not exceed the powers so delegated by the Board pursuant to clause 3.1 above.

3.3 The Managing Director & CEO undertakes to employ the best of his skill and ability and to make his utmost endeavours to promote the interests and welfare of the Company and to conform to and comply with the policies and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

3.4 Mr. Bakshi shall undertake his duties from such location as may be directed by the Board, from time to time.

4. Remuneration

4.1 So long as the Managing Director & CEO performs his duties and conforms to the terms and conditions contained in this Agreement, he shall, subject to such approvals as may be required, be entitled to the following remuneration subject to deduction at source of all applicable taxes in accordance with the laws for the time being in force.

(i) **Salary:**
Rs.7,00,000 per month, upto a maximum of Rs.12,00,000 per month.



The annual increments which will be effective 1st April each year, will be decided by the Board on the recommendation of NRC and Audit Committee, if required, and will be performance-based and take into account the Company's performance as well.

(ii) **Benefits, Perquisites and Allowances:**

In addition to Salary, the Managing Director & CEO shall be entitled to:

(A) Rent-free residential accommodation (furnished or otherwise) with the Company bearing the cost of repairs, maintenance, society charges and utilities (e.g. gas, electricity and water charges) for the said accommodation.

OR

House Rent, House Maintenance and Utility Allowances aggregating 85% of the salary per annum (*in case residential accommodation is not provided by the Company*).

(B) Hospitalisation, Transport, Telecommunication and other facilities, as per the Rules of the Company:

(i) Hospitalisation and major medical expenses for self, spouse and dependent children;

(ii) Two Cars, with drivers provided, maintained by the Company for official and personal use or allowances in lieu thereof.

(iii) Telecommunication facilities including broadband, internet and fax.

(iv) Housing Loan facility.

(v) Personal Accident insurance.

(C) Other Perquisites and Allowances as recommended by the NRC and approved by the Board of Directors, subject to overall limit not exceeding Rs.3 crores per annum.

(D) Contribution to Provident Fund, Superannuation Fund or Annuity Fund or National Pension Fund and Gratuity Fund as per the Rules of the Company.

(E) Mr. Bakshi shall be entitled to leave and gratuity in accordance with the Rules of the Company. Privilege Leave earned but not availed by him is encashable, in accordance with the Rules of the Company.

(iii) **Commission:** In addition to Salary, Benefits, Perquisites and Allowances, Mr. Bakshi would be paid such remuneration by way of Commission, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company based on the recommendation of NRC, at the end of each financial year, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013. The specific amount payable to Mr. Bakshi, will be based on his performance as evaluated by the Board



or the NRC and approved by the Board and will be payable annually, after the Annual Accounts have been approved by the Board.

- (iv) **Incentive Remuneration:** Incentive Remuneration could be paid annually, upto an amount not exceeding 200% of basic salary at the discretion of the Board, based on certain performance criteria and such other parameters as may be considered appropriate from time to time.

The Board, on recommendation of the NRC, will take appropriate decision on payment of incentive remuneration or commission, after taking into consideration the performance of the Company on certain defined qualitative and quantitative parameters (as decided by the Board from time to time); industry benchmarks of remuneration and performance of Mr. Pradeep Bakshi.

- 4.2 **Minimum Remuneration:** Notwithstanding anything to the contrary herein contained, where in any financial year during the currency of the tenure of Mr. Bakshi, the Company has no profits or its profits are inadequate, the Company will pay to Mr. Bakshi, remuneration by way of Salary, Incentive Remuneration, Benefits, Perquisites and Allowances, as specified above, subject to such further approvals under the Act, as amended from time to time.
- 4.3 **Insurance:** The Company will take an appropriate Directors' and Officers' Liability Insurance Policy and pay the premium for the same. The Company shall maintain such insurance cover for the entire period of his appointment, subject to the terms and conditions of such policy in force from time to time.




5. **Variation**

The terms and conditions of the appointment of the Managing Director & CEO and / or this Agreement may be altered and varied from time to time by the Board as it may, in its discretion deem fit, irrespective of the limits stipulated under Schedule V to the Act or any amendments made hereafter in this regard in such manner as may be agreed to between the Board and the Managing Director & CEO, subject to such approvals as may be required.

6. **Intellectual Property**

- 6.1 The Parties acknowledge that the Managing Director & CEO may make, discover or create Intellectual Property (IP) in the course of his employment and agree that in this respect, the Managing Director & CEO has a special obligation to protect such IP and use it to further the interests of the Company, or any of its associate companies or subsidiaries.

- 6.2 Subject to the provisions of the laws relating to intellectual property for the time being in force in India, if at any time during his employment, the Managing Director & CEO makes or discovers or participates in the making or discovery of any IP relating to or capable of being used in the business for the time being carried on by the Company or any of its subsidiaries or associate companies, full details of the Intellectual Property shall immediately be communicated by him to the Company and such IP shall be the absolute property of the Company. At the request and expense of the Company, the Managing Director & CEO shall give and supply all such information, data, drawings and assistance as may be required to enable the Company to exploit the IP to its best advantage and the Managing Director & CEO shall execute all documents and do all things which may be necessary or desirable for obtaining patent or other protection for the Intellectual Property in such parts of the

world as may be specified by the Company and for vesting the same in the Company or as it may direct.

- 6.3 The Managing Director & CEO hereby irrevocably appoints the Company as his attorney in his name and on his behalf to sign or execute any such instrument or do any such thing and generally to use his name for the purpose of giving to the Company or its nominee the full advantage of the provisions of this clause 6 and if in favour of any third Party, a certificate in writing signed by any Director or the Secretary of the Company that any instrument or act falls within the authority conferred by this clause shall be conclusive evidence that such is the case.
- 6.4 If the IP is not the property of the Company, the Company shall, subject to the provisions of the applicable laws for the time being in force, have the right to acquire for itself or its nominee, the Managing Director & CEO's rights in the IP within 3 months after disclosure pursuant to clause 6.2 above on fair and reasonable terms.
- 6.5 The rights and obligations under this clause shall continue in force after termination of the Agreement in respect of IP relating to the period of the Managing Director & CEO's employment under the Agreement and shall be binding upon his heirs and legal representatives.

7. Confidentiality

- 7.1 The Managing Director & CEO is aware that in the course of his employment, he will have access to and be entrusted with information in respect of the business and finances of the Company including intellectual property, processes and product specifications, etc. and relating to its dealings, transactions and affairs and likewise in relation to its subsidiaries, associate companies, customers or clients all of which information is or may be of a confidential nature.
- 7.2 The Managing Director & CEO shall not except in the proper course of performance of his duties during or at any time after the period of his employment or as may be required by law divulge to any person whatever or otherwise make use of and shall use his best endeavours to prevent the publication or disclosure of any Confidential Information of the Company or any of its subsidiaries or associate companies or any of its or their suppliers, agents, distributors or customers.
- 7.3 All notes, memoranda, documents and Confidential Information concerning the business of the Company and its subsidiaries or associate companies or any of its or their suppliers, agents, distributors or customers which shall be acquired, received or made by the Managing Director & CEO during the course of his employment shall be the property of the Company and shall be surrendered by the Managing Director & CEO to the Company upon the termination of his employment or at the request of the Board at any time during the course of his employment.

8. Non-competition

The Managing Director & CEO covenants with the Company that he will not, during the continuance of his employment with the Company, without the prior written consent of the Board, carry on or be engaged, directly or indirectly, either on his own behalf or on behalf of any person, or as manager, agent, consultant or employee of any person, firm or company, in any activity or



business, in India or overseas, which shall directly or indirectly be in competition with the business of the Company or its holding company or its subsidiaries or associate companies. The application of this clause needs to be read in conjunction with the relevant clauses in the Tata Code of Conduct, referred to in Clause 10 below.

9. Selling Agency

The Managing Director & CEO, so long as he functions as such, undertakes not to become interested or otherwise concerned, directly or through his spouse and / or children, in any selling agency of the Company.

10. Tata Code of Conduct

The provisions of the Tata Code of Conduct shall be deemed to have been incorporated into this Agreement by reference. The Managing Director & CEO shall during his term, abide by the provisions of the Tata Code of Conduct in spirit and in letter and commit to assure its implementation.

11. Personnel Policies

All Personnel Policies of the Company and the related Rules which are applicable to other employees of the Company shall also be applicable to the Managing Director & CEO, unless specifically provided otherwise.

12. Summary termination of employment

The employment of the Managing Director & CEO may be terminated by the Company without notice or payment in lieu of notice:

- (a) if the Managing Director & CEO is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associate company to which he is required by the Agreement to render services; or
- (b) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Managing Director & CEO of any of the stipulations contained in the Agreement between the Company and the Managing Director & CEO; or
- (c) in the event the Board expresses its loss of confidence in the Managing Director & CEO.

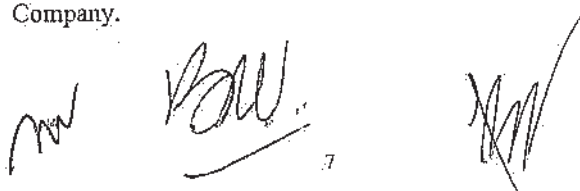
13. Termination due to physical / mental incapacity

In the event the Managing Director & CEO is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

14. Resignation from directorships

Upon the termination by whatever means of his employment under the Agreement:

- (a) the Managing Director & CEO shall immediately cease to hold offices held by him in any holding company, subsidiaries or associate companies without claim for compensation for loss of office by virtue of Section 167(1)(h) of the Act and unless the Board of Directors of the Company decide otherwise, shall resign as trustee of any trusts connected with the Company.



- (b) the Managing Director & CEO shall not without the consent of the Board at any time thereafter represent himself as connected with the Company or any of its subsidiaries and associate companies.

15. Agreement co-terminus with employment / directorship

- (a) Mr. Bakshi shall be liable to retire by rotation.
- (b) If and when this Agreement expires or is terminated for any reason whatsoever, Mr. Bakshi will cease to be the Managing Director & CEO and also cease to be a Director of the Company. If at any time, the Mr. Bakshi ceases to be a Director of the Company for any reason whatsoever, he shall cease to be the Managing Director & CEO and this Agreement shall forthwith terminate. If at any time, Mr. Bakshi ceases to be in the employment of the Company for any reason whatsoever, he shall cease to be a Director and Managing Director & CEO of the Company. However, the Board may at its discretion decide that Mr. Bakshi may continue as a Director of the Company.

16. Other Directorships

The Managing Director & CEO covenants with the Company that he will not during the continuance of his employment with the Company accept any other directorships in any company or body corporate without the prior written consent of the Board.

17. Non-Solicitation

The Managing Director & CEO covenants with the Company that he will not for a period of 1 year immediately following the termination of his employment under this Agreement, without the prior written consent of the Board endeavour or entice away from the Company any senior employee (General Manager and above) who has at any time during the last three years immediately preceding such termination been employed or engaged by the Company or any subsidiaries or associate companies at any time during the last three years immediately preceding termination.

18. Notices

Notices may be given by either Party by letter addressed to the other Party at, in the case of the Company, its registered office for the time being and in the case of the Managing Director & CEO, his last known address and any notice given by letter shall be deemed to have been given at the time at which the letter would be delivered in the ordinary course of post or if delivered by hand upon delivery and in proving service by post it shall be sufficient to prove that the notice was properly addressed and posted by hand or by electronic mail.

19. Miscellaneous

19.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of India.

19.2 Jurisdiction

The Parties have agreed to the exclusive jurisdiction of the Indian courts.



19.3 Entire Agreement

This Agreement contains the entire understanding between the Parties and supersedes all previous written or oral agreements, arrangements, representations, and understandings (if any) relating to the subject matter hereof. The Parties confirm that they have not entered into this Agreement upon the basis of any representations that are not expressly incorporated into this Agreement. Neither oral explanation nor oral information given by any Party shall alter or affect the interpretation of this Agreement.

19.4 Waiver

A waiver by either Party of a breach of the provision(s) of this Agreement shall not constitute a general waiver, or prejudice the other Party's right otherwise to demand strict compliance with that provision or any other provisions in this Agreement.

19.5 Severability

Each term, condition, covenant or provision of this Agreement shall be viewed as separate and distinct, and in the event that any such term, covenant or provision shall be held by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to operate.

19.6 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute the same agreement.

IN WITNESS WHEREOF these presents have been executed by the Parties hereto on the day and year first above written.

The Common Seal of Voltas Limited was hereunto affixed in the presence of Mr. Noel N. Tata, Chairman and Mr. Bahram N. Vakil, Director of Voltas Limited

VOLTAS LIMITED



(NOEL N. TATA)
CHAIRMAN

VOLTAS LIMITED



DIRECTOR

SIGNED, SEALED AND DELIVERED by the said Mr. Pradeep Bakshi

VOLTAS LIMITED



(PRADEEP BAKSHI)
MANAGING DIRECTOR & CEO

in the presence of Mr. V. P. Malhotra

VOLTAS LIMITED



(V. P. MALHOTRA)
Vice President - Taxation
Legal & Company Secretary

VOLTAS LIMITED
MUMBAI

RESOLUTIONS PASSED AT GENERAL MEETINGS

RESOLUTION

The following Resolution was passed at the 9th Annual General Meeting of Voltas Limited duly convened and held at Bombay House, Bruce Street, Fort, Bombay, on the 27th February, 1964 :-

SPECIAL RESOLUTION NO. 7 :

"RESOLVED that subject to the consent of the Controller of Capital Issues being obtained and subject to the conditions, if any, prescribed by him, 102,000 further Ordinary Shares of Rs.100/- each, be issued upon the following terms and conditions and subject to the following rights :-

- (a) Such further 102,000 Ordinary Shares shall be issued and offered at a premium of Rs.25/- per Share or such premium as the Controller of Capital Issues may fix;
- (b) that the further Ordinary Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank in all respects (including voting rights) pari passu with the existing Ordinary Shares except that such further Ordinary Shares shall not confer on the holders thereof the right to dividend, if any, declared in respect of the Company's financial year 1963-64 but shall entitle such holders to dividend, if any, declared in respect of the Company's financial year/s subsequent to the financial year 1963-64 as from the first day of the month following the date or dates of allotment thereof or such other earlier date or dates after the date fixed for payment of the full amount (including premium) on the Shares under sub-clauses (d) and (1) hereof as the Directors may fix in proportion to the capital for the time being paid up during such financial year/s in respect of which the dividend is declared;
- (c) that the further Ordinary Shares be issued and offered in the first instance to the holders of the existing Ordinary Shares on the Register of Members of the Company, on such date as may be fixed by the Directors in the ratio as nearly as circumstances permit of two further Ordinary Shares to five existing Ordinary Shares held by such holders respectively;
- (d) that the offer aforesaid shall be made by notice specifying the number of Shares offered and limiting a time, not being less than 15 days, from the date of the offer within which if the offer is not accepted will be deemed to have been declined;

- (e) that the offer aforesaid shall include a right exercisable by the shareholder concerned to renounce the Shares offered to him in whole or in part in favour of nominee/s approved by the Directors;
- (f) that the offer aforesaid may be made with option to the eligible shareholders to apply for additional Shares provided that a shareholder who has renounced his right in whole or in part shall not be entitled to an allotment of additional Shares. Allotment of additional Shares will be at the absolute discretion of the Directors;
- (g) that in respect of such further Ordinary Shares the full amount, including premium, will be payable along with acceptance of the offer;
- (h) in case of holders of existing Ordinary Shares holding less than five such Shares or a number which is not a multiple of five on the aforesaid date, coupons equivalent to one-fifth further Ordinary Shares (in addition to the full further Ordinary Shares to which they may be entitled) shall be issued to them as follows :
- | | |
|--|-----------|
| (i) For one existing Ordinary Share or one existing Ordinary Share in excess of a multiple of five... | 2 coupons |
| (ii) For two existing Ordinary Shares or two existing Ordinary Shares in excess of a multiple of five... | 4 coupons |
| (iii) For three existing Ordinary Shares or three existing Ordinary Shares in excess of a multiple of five (apart from full further Ordinary Share or Shares). | 1 coupon |
| (iv) For four existing Ordinary Shares or four existing Ordinary Shares in excess of a multiple of five (apart from full further Ordinary Share or Shares).. ... | 3 coupons |

Any five of such coupons if presented not later than a date to be fixed by the Directors, which may be extended from time to time at the discretion of the Directors, either generally or in respect of any particular case or cases, together with the application form shown on the reverse thereof duly filled in and

signed and together with the sum payable on application in accordance with sub-clause (g) above, shall confer the right upon the person presenting the same and making such payment to the allotment of one further Ordinary Share subject to the right of the Directors in their absolute discretion to reject without assigning any reason such application and to refuse any such allotment to any person (other than holder of the existing Ordinary Shares of the Company) presenting such coupons and application form, who is not approved by them. If the coupons are not presented with the necessary application and payment for allotment of further Ordinary Shares on or before the date fixed by the Directors or within such extended date as the Directors may fix, the Directors may dispose of the rights conferred by such coupons or any of them in such manner as the Directors may in their absolute discretion think fit. The coupons so to be issued shall not be deemed to be Shares in the capital of the Company and shall not entitle the holder thereof to be entered in the Register of Members of the Company as a shareholder even if such holder shall hold five coupons, nor shall they confer any right to receive any dividend in respect of such coupons or to receive notice of or to attend or vote at meetings nor shall they confer any other right of membership. The coupons shall be negotiable by delivery;

- (i) that the Directors be and are hereby authorised and empowered to dispose of and allot any of the aforesaid further Ordinary Shares not taken up by the holders of the existing Ordinary Shares or remaining undisposed of, to such person or persons, whether shareholders of the Company or not, at such price or prices and on such terms as the Directors may think fit and subject to such conditions as may be prescribed by the Controller of Capital Issues in his letter of consent;
- (j) that the allotment to non-resident shareholders will be subject to the sanction of the Central Government and/or the Reserve Bank of India as may be required;
- (k) that the certificates in respect of the further Ordinary Shares shall be completed and be ready for delivery within nine months after the last allotment thereof;
- (l) that for the purpose of giving effect to this resolution, the Directors be and are hereby authorised to prescribe the forms of application and renunciation and

other documents in respect of such further Ordinary Shares and shall have power to extend the time fixed by sub-clause (d) hereof for all holders of existing Ordinary Shares and to give such other directions as may be necessary or desirable and settle any question or difficulties as they may think fit in regard to the issue of the further Ordinary Shares".

RESOLUTIONS

The following Resolutions were passed at the 12th Annual General Meeting of Voltas Limited duly convened and held at Bombay House, Bruce Street, Fort, Bombay, on the 30th January, 1967 :-

SPECIAL RESOLUTION NO. 5 :

"RESOLVED that notwithstanding anything contained in sub-section (1) of Section 81 of the Companies Act, 1956, further shares in the Capital of the Company not exceeding 4,500 Ordinary Shares of Rs.100/- each be issued and offered at a premium of Rs.75/- per share to the Commonwealth Development Finance Company Limited, U.K., on such terms and conditions and at such time or times as the Board of Directors may deem fit. The said Shares shall rank pari passu in all respects with the existing Ordinary Shares of the Company and shall carry the right to participate in full in all dividends declared by the Company on its equity share capital after the date of their allotment to the Commonwealth Development Finance Company Limited, U.K."

SPECIAL RESOLUTION NO. 6 :

"RESOLVED that the Company be and is hereby authorised to vary the terms of Clause 10 of the Debenture Trust Deed dated the 19th day of February 1964 made between the Company of the one part and Nani Ardeshir Palkhivala and Shiavax Sorabji Khambata as Trustees of the other part by substituting the figure and words "Rs.12,00,00,000/- (Rupees twelve crores)" for the figure and words "Rs.10,00,00,000/- (Rupees ten crores)" appearing in Clause 10".

SPECIAL RESOLUTION NO. 7 :

"RESOLVED that pursuant to sub-section (1) of Section 163 of the Companies Act, 1956, the Company hereby approves that the registers of Members, the indexes of Members and the registers and indexes of Debenture-holders and copies of all annual returns prepared under Sections 159 and 160 of the said Act, together with the copies of certificates and documents required to be annexed thereto under Sections 160 and 161 of the said Act or any one or more of them, be kept at the Registered Office of the Act or any one or more of them, be kept at the Registered Office of the Company and/or at Strand House, 14, Graham Road, Ballard Estate, Bombay-1.

RESOLVED FURTHER that such of the registers, books, certificates, returns and documents of the Company required to

be maintained under the provisions of the Companies Act, 1956, as are not required by the Act to be kept at the Registered Office of the Company may be kept at the Registered Office of the Company and/or at Strand House, 14, Graham Road, Ballard Estate, Bombay-1.

RESOLVED FURTHER that the registers, indexes, returns, books, certificates and documents of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956, be kept open for such inspection by the persons entitled thereto, to the extent, in the manner and on payment of the fees, if any, specified in the Act between the hours of 10-30 a.m. and 1-00 p.m. on any working day except when the registers and books are closed under the provisions of the Companies Act, 1956, or the Articles of Association of the Company, provided however that the register required to be maintained under Section 307 of the Act shall be open for inspection of the Members and of the Holders of the Debentures of the Company, if any, as aforesaid between the hours above-mentioned during the period prescribed by sub-section (5) (a) of Section 307 of the Act."

RESOLUTION

The following Resolution was passed at the 14th Annual General Meeting of Voltas Limited duly convened and held at Bombay House, Bruce Street, Fort, Bombay, on 18th February, 1969 :-

SPECIAL RESOLUTION NO. 8 :

"In supersession of Resolution No.7 passed at the Eleventh Annual General Meeting of the Company held on 3rd February, 1966, it is hereby RESOLVED that pursuant to the provisions of Section 370 and other applicable provisions (if any) of the Companies Act, 1956, the Company hereby authorises the Board of Directors of the Company to give loans from time to time to other bodies corporate upto 30 per cent of the aggregate of the subscribed capital of the Company and its free reserves, provided that in the case of bodies corporate under the same management as the Company, such loans shall not exceed 20 percent of the aggregate of the subscribed capital of the Company and its free reserves.

RESOLVED FURTHER that, pursuant to the provisions of Section 370 and other applicable provisions (if any) of the Companies Act, 1956, the Board of Directors of the Company be and are hereby authorised to give guarantees or provide securities from time to time in connection with a loan or loans made by any other person to, or to any other person by, any body corporate provided however that the aggregate of all such guarantees given or securities provided shall not at any one time exceed 30 per cent of the aggregate of the subscribed capital of the Company and its free reserves."

RESOLUTION

The following Resolution was passed at the 16th Annual General Meeting of Voltas Limited duly convened and held at Tata Auditorium, Bombay House, 24, Bruce Street, Bombay on Tuesday, 23rd February, 1971:-

SPECIAL RESOLUTION NO. 5 :

"RESOLVED that pursuant to Section 314 and other applicable provisions (if any) of the Companies Act, 1956, the Company hereby accords its consent and approval to Tata Sons Private Limited and its division Tata Consultancy Services holding an office or place of profit and having a contract or contracts with the Company for the provision to the Company of any or all of the following services on an advisory basis:-

- A. Services of every nature and kind relating to finance, accounts, taxation, budgets and budgetary control, whether on capital or on revenue and expenditure account, including without prejudice to the generality of the above-
- (i) all or any such services as are normally performed by merchant bankers and specialists in the above fields;
 - (ii) appraisal and review of financial plans and programmes;
 - (iii) conduct of negotiations with banks and financial institutions for loans, advances and other financial assistance or co-operation;
 - (iv) services relating to the formulation and management of capital issues, advice on investments and stock exchanges and amalgamations and merger proposals, foreign exchange, insurance, methods and modes of financial management and all other matters relative to the above.
- B. Economic, statistical and marketing services, including the study, whether on a continuous basis or otherwise, of economic legislation, governmental plans, programmes and policies, the tabulation of up-to-date data on the Indian economy in general or in specific fields or relating to Indian industries in general or to specific industries, study and supply of information of and on the economic requirements, development and policies of foreign countries for the purpose of export promotion and joint ventures, trade and commerce, project studies and evaluation and allied services.

C. Public relations and publicity and advertising services.

RESOLVED further that payment for such services be made by the Company either by way of retainer fee or otherwise at normal commercial rates not less favourable to the Company than those charged by Tata Sons Private Limited to any other party on a comparable basis."

RESOLUTION

The following Resolution was passed at the 17th Annual General Meeting of Voltas Limited duly convened and held at Bombay House, Bruce Street, Fort, Bombay, on the 7th February, 1972 :-

SPECIAL RESOLUTION NO. 12 :

"RESOLVED that, subject to the consent of the Controller of Capital issues being obtained and subject to the conditions, if any, prescribed by him, 1,03,896 further Equity Shares of Rs.100/- each, be issued upon the following terms and conditions and subject to the following rights :-

- (a) Such further 1,03,896 Equity Shares shall be issued and offered at a premium of Rs.50/- per share or such premium as the Controller of Capital Issues may fix;
- (b) that the further Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank in all respects (including voting rights) pari passu with the existing Equity Shares except that such further Equity Shares shall not confer on the holders thereof the right to dividend, if any, declared in respect of the Company's financial Year 1970-71 but shall entitle such holders to dividend, if any, declared in respect of the Company's financial year/s subsequent to the financial year 1970-71 as from the first day of the month following the date or dates of allotment thereof or such other earlier date or dates after the date fixed for payment of application and/or first and final call amount (including premium) on the shares under sub-clauses (d) and (1) hereof as the Directors may fix in proportion to the capital for the time being paid up during such financial year/s in respect of which the dividend is declared;
- (c) that the further Equity Shares be issued and offered in the first instance to the holders of the existing Equity Shares on the Register of Members of the Company, on such date as may be fixed by the Directors in the ratio, as nearly as circumstances permit, of one further Equity Shares to five existing Equity Shares held by such holders respectively;
- (d) that the offer aforesaid shall be made by notice

specifying the number of Shares offered and limiting a time, not being less than 15 days, from the date of the offer within which if the offer is not accepted it will be deemed to have been declined, with liberty to the Directors from time to time to extend the time for acceptance as aforesaid, either generally or in respect of any particular holder or holders;

- (e) that the offer aforesaid shall include a right exercisable by the shareholder concerned to renounce the Shares offered to him in whole or in part in favour of nominee/s approved by the Directors;
- (f) that the offer aforesaid may be made with option to the eligible shareholders to apply for additional Shares provided that a shareholder who has renounced his right in whole or in part shall not be entitled to an allotment of additional Shares. The allotment of additional Shares will be made on an equitable basis in consultation with Bombay Stock Exchange, with reference to the Equity Shares already held by them. If any further Equity Shares applied for are not allotted, the amount paid on application thereof shall be refunded in due course without interest;
- (g) that in respect of such further Equity Shares, one-half of the amount of Rs.150/- including premium. viz. Rs.75/- per share (out of which Rs.50/- on capital account and Rs.25/- on share premium account) will be payable along with the acceptance of offer and the balance of Rs.75/- will be payable on the Company making the first and final call, which will not be earlier than three months from the date of allotment;
- (h) in the event of any person holding less than five Equity Shares, a coupon equivalent to 1/5th of such further Equity Share shall be issued to such person for each existing Equity Share; and in the event of a person holding Equity Shares in excess of an exact multiple of five Shares, a coupon equivalent to 1/5th of such further Equity Share shall be issued in respect of each Share in excess of the multiple of five Shares held by such person.

Any five of such coupons if presented not later than a date to be fixed by the Directors, which may be extended from time to time at the discretion of the Directors, either generally or in respect of any particular case or cases, together with the application

form shown on the reverse thereof duly filled in and signed and together with the sum payable on application in accordance with sub-clause (g) above, shall confer the right upon the person presenting the same and making such payment to the allotment of one further Equity Share subject to the right of the Directors in their absolute discretion to reject, without assigning any reason, such application and to refuse any such allotment to any person (other than holder of the existing Equity Shares of the Company) presenting such coupons and application form, who is not approved by them. If the coupons are not presented with the necessary application and payment for allotment of further Equity Shares on or before the date fixed by the Directors or within such extended date as the Directors may fix, the Directors may dispose of the rights conferred by such coupons or any of them in such manner and at such price as the Directors may, in their absolute discretion, think fit. The coupons so to be issued shall not be deemed to be Shares in the capital of the Company and shall not entitle the holder thereof to be entered in the Register of Members of the Company as a shareholder even if such holder shall hold five coupons, nor shall they confer any right to receive any dividend in respect of such coupons or to receive notice of or to attend or vote at meetings nor shall they confer any other right of membership. The coupons shall be negotiable by delivery;

- (i) that the Directors be and are hereby authorised and empowered to dispose of and allot any of the aforesaid further Equity Shares not taken up by the holders of the existing Equity Shares or remaining undisposed of, to such person or persons, whether shareholders of the Company or not, on such terms and at such price or prices or at the ruling market price or the issue price whichever is higher, and where the above procedure is not practicable for any reason, in a manner previously approved by the Controller of Capital Issues and agreed to by the Directors;
- (j) that the allotment to non-resident shareholders will be subject to the sanction of the Central Government and/or the Reserve Bank of India, as may be required;
- (k) that the certificates in respect of the further Equity Shares shall be completed and be ready for delivery within nine months after the last allotment thereof;

- (1) that for the purpose of giving effect to this Resolution, the Directors be and are hereby authorised to prescribe the forms of application and renunciation and other documents in respect of such further Equity Shares and to give such other directions as they may think fit and proper, including directions for settling any question or difficulty that may arise in regard to the issue and allotment of the further Equity Shares or in connection with any deceased or insolvent shareholder or a shareholder suffering from any disability; and to do all acts, deeds, matters and things, as the Directors in their absolute discretion consider necessary, expedient, usual or proper."
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RESOLUTION

The following Resolution was passed at the 18th Annual General Meeting of Voltas Limited duly convened and held at Patkar Hall of S.N.D.T. Women's University, 1, Nathibai Thackersey Road, Bombay 400 020, on Monday, the 28th May, 1973:-

SPECIAL RESOLUTION NO. 7 :

"RESOLVED that, pursuant to Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, approval is hereby accorded to the Company for commencing and undertaking the business as enumerated in the newly introduced sub-clause 4A of the Object Clause of the Memorandum of Association and sub-clause 13 of the Object Clause of the Memorandum of Association of the Company as substituted, upon the said sub-clauses becoming effective."

RESOLUTIONS

The following Resolutions were passed at the 22nd Annual General Meeting of Voltas Limited duly convened and held at Patkar Hall of S.N.D.T. Women's University, 1, Nathibai Thackersey Road, Bombay 400 020, on Monday, 31st January, 1977:-

ORDINARY RESOLUTION NO. 6 :

"RESOLVED that pursuant to the provisions of Sections 269, 309, 311 and other applicable provisions, if any, of the Companies act, 1956, and subject to the approval of the Central Government, the terms of reappointment and remuneration of Mr.A.H. Tobaccowala who has been reappointed Managing Director of the Company, by the Board of Directors for a period of five years with effect from 28th February, 1977, be and are hereby approved, as set out in the Draft Agreement submitted to this Meeting and for identification signed by the Chairman thereof, which agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said reappointment and/or Agreement without increasing the remuneration mentioned therein and in such manner as may be agreed to between the Central Government and the Directors, and acceptable to Mr.A.H. Tobaccowala."

SPECIAL RESOLUTION NO. 10 :

"RESOLVED that in supersession of Resolution No.7 passed at the Annual General Meeting of the Company held on 30th January, 1967, and pursuant to sub-section (1) of Section 163 of the Companies Act, 1956, the Company hereby approves that the Registers and the Indexes of Members and the Registers and Indexes of Debentures Holders and copies of all Annual Returns prepared under Section 159 of the said Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the said Act or any one or more of them be kept at the Registered Office of the Company, and/or at Voltas House, 14, Graham Road, Ballard Estate, Bombay 400 038, and/or at Shale Building, 28-32, Bank Street, Bombay - 400 023, and/or at Henley House, 7, Narottam Morarjee Marg, Ballard Estate, Bombay 400 038, and/or at Voltasagar, Dr. Ambedkar Road, Bombay 400 023.

RESOLVED FURTHER that the registers, indexes, returns, books, certificates and documents of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956, be kept open for such inspection, at the place where they are kept, by the persons entitled thereto, to the extent, in the manner and on payment of the fees, if any.

specified in the aforesaid Act between the hours of 11.00 a.m. and 1.00 p.m. on any working day except when the registers and books are closed under the provisions of the Companies Act, 1956, or the Articles of Association of the Company, provided, however, that the register required to be maintained under Section 307 of the aforesaid Act shall be open for inspection of the members and of the holders of the debentures of the Company, if any, as aforesaid between the hours abovementioned during the period prescribed by sub-section (5)(a) of Section 307."

RESOLUTION

The following Resolution was passed at the 23rd Annual General Meeting of Voltas Limited duly convened and held at Patkar Hall of S. N. D. T. Women's University, 1, Nathibai Thackersey Road, Bombay 400 030, on Monday, 27th February, 1978:-

SPECIAL RESOLUTION NO. 9 :

"RESOLVED that subject to the confirmation by the Company Law Board, Clause III of the Memorandum of Association of the Company be and is hereby altered by the addition of the following sub-clauses (24A) and (24B) after sub-clause (24):

(24A) To undertake, carry out, promote and sponsor any agribusiness or programmes directly or in any other manner, including any programme for promoting the social and economic development and welfare of, or the uplift of the public in any rural area.

(24B) To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of the national economy and national welfare and to discharge what the Directors consider to be the social and moral responsibilities of the Company to the consumers, employees, shareholders and to the public.

RESOLVED FURTHER that the Directors are hereby expressly authorised to agree to such variations or modifications of the said objects proposed to be added as the Company Law Board may suggest or make as a condition of, or while granting, such confirmation and which the Directors think fit to accept."

SPECIAL RESOLUTION NO. 10 :

"RESOLVED that pursuant to section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, approval is hereby accorded to the Company for commencing and executing the programmes covered by sub-clause (24A) and the activities covered by sub-clause (24B) of Clause III of the Memorandum of Association of the company by the Directors as and when they think fit."

RESOLUTION

The following Resolution was passed at the 24th Annual General Meeting, of Voltas Limited duly convened and held at Patkar Hall of S.N.D.T. Women's University, 1, Nathibai Thackersey Road, Bombay 400 020, on 21st February, 1979 :-

ORDINARY RESOLUTION NO. 11 :

"RESOLVED that the consent, authority and approval of the Company be and is hereby accorded to the Board of Directors of the Company, pursuant to Section 293(1)(e) of the Companies Act, 1956 to contribute to charitable and other funds not directly relating to the business of the Company or welfare of its employees, amounts not exceeding Rs.5 lakhs during any financial year or five percent of the average net profits as determined in accordance with the provisions of the Companies Act, 1956, during the three financial years immediately preceding, whichever is greater."

RESOLUTIONS

The following Resolutions were passed at the 25th Annual General Meeting of Voltas Limited duly convened and held at Patkar Hall, S.N.D.T. Women's University, 1, Nathibai Thackersey Road, Bombay-400 020 on Friday, the 16th May, 1980 :-

SPECIAL RESOLUTION NO. 6 (b) :

"RESOLVED that pursuant to Section 81 of the Companies Act 1956, and subject to the consent of the Central Government, the Board of Directors be and are hereby authorised to issue and allot-

- (i) 4,500 Equity Shares of Rs.100/- each credited as fully paid-up or such lesser number of Equity Shares, as are required to be issued and allotted to persons holding Equity Shares in the Capital of Tata-Merlin & Gerin Limited (TMG) or to any other person or persons whether such person be a Member of the Company or not and on such terms as the Board may in its absolute discretion decide in accordance with the terms of the Scheme of Amalgamation of TMG with the Company (but no issue or allotment of Equity Shares be made in respect of the shareholding of the Company in the Capital of TMG), upon the said Scheme of Amalgamation being sanctioned by The Hon'ble the High Court of Judicature at Bombay.
- (ii) 2,200 Equity Shares of Rs.100/- each credited as fully paid-up or such lesser number of Equity Shares as are required to be issued and allotted to persons holding Equity Shares in the Capital of Wandleside National Conductors Limited (WNC) or to any other person or persons whether such person be a Member of the Company or not and on such terms as the Board may in its absolute discretion decide in accordance with the terms of the Scheme of Amalgamation of WNC with the Company, (but no issue or allotment of Equity Shares be made in respect of the shareholding of the Company in the Capital of (WNC), upon the said Scheme of Amalgamation being sanctioned by The Hon'ble the High Court of Judicature at Bombay.
- (iii) 15,000 Equity Shares of 'B' Series of Rs.10/- each credited as fully paid-up or such lesser number of Equity Shares of 'B' Series as are required to be issued and allotted to persons holding Equity and/or Preference Shares in the Capital of The National

Electrical Industries Limited (NEI) or to any other person or persons whether such person be a Member of the Company or not and on such terms as the Board may in its absolute discretion decide in accordance with the terms of the Scheme of Amalgamation of NEI with the Company, (but no issue or allotment of Equity Shares be made in respect of the shareholding of the Company in the Capital of NEI), upon the said Scheme of Amalgamation being sanctioned by The Hon'ble the High Court of Judicature at Bombay".

SPECIAL RESOLUTION NO. 8 :

"RESOLVED that pursuant to Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the Company to commence and undertake the business presently carried on by The National Electrical Industries Limited (NEI) and/or Tata-Merlin & Gerin Limited (TMG) and/or Wandleside National Conductors Limited (WNC), on the respective Schemes of Amalgamation of NEI, TMG and WNC with the Company being sanctioned by The Hon'ble the High Court of Judicature at Bombay."

RESOLUTION

The following Resolutions were passed by the Shareholders at the 26th Annual General Meeting of the Company held on 23rd February, 1981 :-

SPECIAL RESOLUTION NO. 6 :

"RESOLVED that -

- (i) Subject to the consent of the Controller of Capital Issues, the Financial Institutions and other approvals, if any, and subject to the conditions and modifications, if any, as may be prescribed and agreed to by the Board of Directors, a sum not exceeding Rs.1,57,85,200/- (Rupees One Crore fifty-seven lakhs eight-five thousand two hundred only) out of the amount standing to the credit of the Capital Reserve and/or Share Premium Account and/or General Reserve in such proportions as the Directors may deem fit or such other amount as is permissible to be utilised for the purpose, as may be approved by the Controller of Capital Issues and agreed to by the Board, be and is hereby capitalised and accordingly a sum not exceeding Rs.1,57,85,200/- be transferred from the aforesaid Accounts/Reserves to the Share Capital and that the aforesaid sum be applied for allotment of Bonus Shares to the persons who, on a date to be hereafter fixed by the Directors shall be the holders of the existing 6,27,796 Equity Shares of Rs.100/- each and the holders of 14,117 Equity Shares of 'B' Series of Rs.10/- each of the Company, and who shall be or who may become the holders of 2,200 Equity Shares of Rs.100/- each in the event of amalgamation of Wandleside National Conductors Limited (WNC) with the Company becomes effective, in payment in full for 1,56,949 New Equity Shares of Rs.100/- each and 3530 New Equity Shares of 'B' Series of Rs.10/- each and in payment in full for 550 New Equity Shares of Rs.100/- each to be allotted after the aforesaid amalgamation, and that such New Equity Shares out of the Company's unissued Equity Shares, credited as fully paid up, be accordingly allotted as Bonus Shares to such persons respectively as aforesaid, in the proportion of One New Equity Share of Rs.100/- for every Four Existing Equity Shares of Rs.100/- each and One New Equity Share of 'B' Series of Rs.10/- for every Four Existing Equity Shares of Rs.10/- each, held by such persons respectively and in the proportion of One New Equity Share of Rs.100/- for every Four Equity Shares of Rs.100/- each which may be held by such persons who become the Shareholders of the Company after the amalgamation of Wandleside National Conductors

Limited with the Company becomes effective, on the said date upon the footing that they become entitled hereto for all purposes as Capital;

- (ii) The 1,56,949 New Equity Shares of Rs.100/- each and 3,530 New Equity Shares of 'B' Series of Rs.10/- each and 550 New Equity Shares of Rs.100/- each (to be allotted to the shareholders of WNC as mentioned above) shall be subject to the Memorandum and Articles of Association of the Company and shall rank *pari passu* in all respects with and carry the same rights as the existing Equity Shares and, notwithstanding the date or dates of allotment thereof, shall be entitled to participate in full in any dividends to be declared in respect of the financial year in which the allotment of the New Equity Shares pursuant to this Resolution is made;
- (iii) In the event of any person holding less than four Equity Shares of Rs.100/- each, a fractional Certificate representing one-fourth of such New Equity Shares shall be issued to such person for each existing Equity Shares held by such person;
- (iv) In the event of a person holding Shares in excess of an exact multiple of four Equity Shares of Rs.100/- each, a fractional Certificate representing one-fourth of such New Equity Share shall be issued in respect of each Share in excess of a multiple of four Shares held by such person;
- (v) Any four fractional Certificates issued to the holders of the Equity Shares of Rs.100/- each, if presented to the Company not later than a date or dates to be fixed by the Directors (which dates may be extended by the Directors at their discretion) together with the application form shown on the reverse thereof duly filled and signed, shall confer a right upon the person presenting the same to the Company to the allotment of one New Equity Share of Rs.100/- each credited as fully paid subject to the right of the Directors in their absolute discretion to reject such application without assigning any reason and to refuse such allotment to any person (other than a Member of the Company) not approved by them, presenting such fractional Certificate and application;
- (vi) If the fractional Certificates so issued are not presented for consolidation before the expiry of the date or dates fixed by the Directors as aforesaid or such

extended dates as the Directors may fix from time to time, such fractions allotted in respect of such holdings be consolidated, and in respect of such holdings be consolidated, and in respect of each lot of four fractions so consolidated as representing one New Equity Share of Rs.100/- of the Company, the Board of Directors of the Company shall allot such consolidated New Equity Shares to such person or persons (including one or more of themselves and/or one or more of the Officers of the Company) as the Board of Directors, in its absolute discretion, select for the purpose of holding and selling all or any such New Equity Shares, provided that the Board of Directors may, without making any allotment of all or some of the New Equity Shares resulting from such consolidation as aforesaid, direct the sale of any or all of such New Equity Shares. Every such sale shall be at such price or prices as may be approved by the Board of Directors and upon receipt of such purchase price in respect of such sale (provided the Board of Directors approve of the transferee), allot the New Equity Shares to the approved transferees. The Company shall hold the aggregate sale proceeds of all such Equity Shares and allotments left over (after defraying therefrom all expenses of the sale) on behalf of the persons holding such unconsolidated fractional Certificates and upon delivery to the Company by each such holder of the fractional Certificates, pay to him a share in such net sale proceeds in the same proportion as the number of the fractional Certificates delivered by him bears to the total of the unconsolidated fractional Certificates. Upon such payment, the said fractional Certificates shall be deemed to be cancelled;

- (vii) No fractional Certificate shall be issued in respect of a fraction of a New Equity Share of 'B' Series of Rs.10/- each, but that such fractions allotable in respect of such holdings be consolidated and in respect of each lot of four fractions so consolidated as representing one New Equity Share of 'B' Series of Rs.10/- of the Company, the Board of Directors of the Company shall allot such consolidated New Equity Shares of 'B' Series to such person or persons (including one or more of themselves and/or one or more of the Officers of the Company) as the Board of Directors, in its absolute discretion, select for the purpose of holding and selling all or any of such New Equity Shares of 'B' Series provided that the Board of Directors may, without making allotment of all or some of such New Equity Shares of 'B' Series resulting from such

consolidation as aforesaid, direct the sale of any or all of such New Equity Shares of 'B' Series. Every such sale shall be at such price or prices as may be approved by the Board of Directors and upon receipt of such purchase price in respect of such sale (provided that the Board of Directors approve of the transferee), allot the New Equity Shares of 'B' Series to the approved transferees. The Company shall hold the aggregate sale proceeds of all such New Equity Shares of 'B' Series and allotments left over (after defraying therefrom all expenses of the sale) shall distribute the proceeds among such shareholders as would otherwise have been entitled to such fractions of the New Equity Shares of 'B' Series, in proportion to their respective entitlements to such fractions;

- (viii) The fractional Certificates so to be issued as provided in (iii) and (iv) shall be negotiable by delivery but they shall not confer on the holder thereof any right to the payment of a proportionate dividend until and unless such Certificates are consolidated into whole shares;
- (ix) No Letter of Allotment shall be issued, but the Share Certificates in respect of the New Equity Shares shall be completed and be ready for delivery within four months after the last date of allotment thereof;
- (x) The allotment and issue of fully paid New Equity Shares as Bonus Shares and payment (if any) for fractions of such shares, to the extent that they relate to non-resident members of the Company, shall be subject to the approval of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973;
- (xi) For the purpose of giving effect to this Resolution, the Board of Directors be and is hereby authorised to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise with regard to the issue, allotment and distribution of the New Equity Shares of Rs.100/- each and New Equity Shares of 'B' Series of Rs.10/- each;
- (xii) It is recorded that, in the absence of unavoidable or unforeseen circumstances, it is the intention of the Board of Directors to recommend the declaration and payment of a dividend of not less than 15% on the issued and subscribed Equity Capital of the Company as increased by the issue of the New Equity Shares of Rs.100/- and 'B' Series of Rs.10/- as aforesaid, in the year, immediately after the Bonus Issue".

SPECIAL RESOLUTION NO. 7 :

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, the Controller of Capital Issues and the Financial Institutions and such other approvals, permissions and sanctions as may be necessary and subject to such terms, conditions and modifications as may be prescribed in granting such approvals, permissions and sanctions and which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company borrowing a sum of Rs.5,00,00,000/- (Rupees Five crores) by the issue of Rs.2,00,000/- (Two lakhs) Secured Convertible Bonds of Rs.250/- each at par, and repayable ten years from the date of allotment, upon the following terms and conditions:-

- (i) The said 2,00,000 Bonds of the face value of Rs.250/- (Rupees Two hundred and fifty) each, be offered for cash at par by means of a Prospectus for Public subscription;
- (ii) The issue in respect of Bonds will be subsequent to the issue of Bonus Shares as set out in Resolution No.6 of this Notice and the prospective subscribers to the proposed issue of Bonds shall not, therefore, have any right to participate in the abovementioned issue of Bonus Shares nor will the terms of the Bonds be altered in any way by the aforesaid issue of Bonus Share. The Bonds will nevertheless be issued even if the amalgamation of Wandleside National Conductors Limited with the Company has not become effective on the date fixed for the issue of the Bonds;
- (iii) Out of the 2,00,000 (Two lakhs) Bonds to be offered for public subscription by a Prospectus as mentioned in Clause (i) above, the Board do reserve 80,000 (Eighty thousand) Bonds amounting to Rs.2,00,00,000/- (Rupees two crores) for preferential allotment to the existing Equity Shareholders of the Company (including Equity Shareholders of 'B' Series of Rs.10/- each) whose names appear in the Register of Members on a date that may be fixed by the Board and in such manner as may be decided by the Board of Directors;
- (iv) The Bonds will carry interest at 12% per annum or such other rate of interest as may be approved by the Controller of Capital Issues (subject to deduction of Income-tax at the rates for the time being prescribed

under the Income-tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force). The interest on the Bonds shall be payable half-yearly;

- (v) The Bonds will be secured by a floating charge on the Company's assets other than fixed assets and investments and such floating charge will be subject to the existing and future first charge or charges of the Company's bankers on the Company's current assets and will also rank after the existing as well as future charges on such assets in favour of the Debenture-holders and the Financial Institutions. The Company shall have the liberty to create any future floating charge on its assets other than fixed assets and investments without the consent of the Bond-holders.
- (vi) Each Bond will carry an option to receive One Equity Share of Rs.100/- each of the Company at a price of Rs.100/- on the following terms:-
- (a) The option to receive one share will be exercisable within three months after the expiry of three years from the date of allotment of the Bonds.
- (b) On the exercise of such option, the face value of each Bond will be reduced by Rs.100/-. This amount which will be due to the Bondholder will be applied towards the price of one fully paid Equity Share of Rs.100/- each of the Company at par value. Thus, there will be constructive receipt of Rs.100/- by the Bondholder and constructive payment of the same amount by the Bondholder to the Company towards the price of one fully paid Equity Share.
- (c) After exercising the option, the residual face value of each Bond will be Rs.150/- which will be repayable at the end of 10 years from the original date of allotment of the Bonds.
- (d) The above terms of exercising the option will not be altered if the Company make any issue of shares whether by way of a public issue or a rights issue or a bonus issue during the period between the issue of the Bonds and exercise of the option.
- (vii) The Equity Shares allotted as a result of exercising the above option shall rank *pari passu* in all respects with

the existing Equity Shares of the Company except that such Equity shall carry the right to receive proportionate dividend which may be declared for the financial year in which the option has been exercised;

(viii) Bondholders who do not exercise the option within the stipulated period, shall continue to be paid half-yearly interest and the principal amount shall be repaid at the end of the expiry of 10 years from the original date of allotment of the Bonds;

(ix) Application will be made to list the Bonds on the Stock Exchange at Bombay;

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to issue and allot the Bondholders such number of Equity Shares as may be required to be issued in pursuance of the Bondholders exercising the abovementioned option to receive Equity Shares of the Company.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Directors be and are hereby authorised to prescribe the forms of application, to determine the amounts payable on application, allotment and by way of further calls, if any, in respect of the Bonds, to issue a Prospectus, to appoint managers, underwriters and/or brokers for the purpose of the issue, and pay, if they so think fit, underwriting commission and/or brokerage as may be lawful and reasonable, and to take such actions or give such directions as may be necessary or desirable and to accept any modifications in the proposal and terms of the issue of the Bonds as may be required by the Controller of Capital Issues and other authorities and to settle any question or difficulty that may arise in regard to issue and allotment of the Bonds."

SPECIAL RESOLUTION NO. 13 : Re: Payment of additional remuneration to Auditors.

"RESOLVED that Rs.25,000/- (Rupees Twenty-five thousand) be paid to the statutory Auditors, Messrs S.B.Billimoria & Company, Chartered Accountants, as additional remuneration for examining and auditing the accounts of the Company, for the period from 1st July, 1979 to 31st August, 1979, in respect of Switchgear Plant and Motor & Transformer Plants of the Company."

RESOLUTION

The following Special Resolution was passed by the shareholders at an EXTRAORDINARY GENERAL MEETING of the Company held on 4th May, 1981 :-

"RESOLVED that pursuant to the condition stipulated by the Central Government while according its approval under Section 81(3) of the Companies Act, 1956, to the issue of 2,00,000 (Two lakhs) Secured Convertible Bonds of Rs.250/- each for cash at par, of the aggregate value of Rs.5,00,00,000/- (Rupees Five crores) and in modification to that extent of the Special Resolution passed at the Twentysixth Annual General Meeting held on 23rd February, 1981, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to substitute the 'security' in respect of these Bonds from 'a floating charge on the Company's assets other than fixed assets and investments' to 'a legal mortgage by deposit of title deeds on the immoveable property of the Company, both present and future, and such charge to rank after the existing mortgage/charges created in respect of the said property in favour of the Debentureholders, the Financial Institutions and the Bankers.'

RESOLVED FURTHER that for the purpose of giving effect to the above, the Board of Directors be and is hereby authorised to give such directions as may be deemed necessary or desirable by it and to agree to, make and execute all such documents as are necessary or as it may consider advisable."

RESOLUTION

The following Resolution was passed by the Shareholders at the 28th Annual General Meeting of the Company held on 21st February, 1983 :-

SPECIAL RESOLUTION NO.6: Re:Place of keeping and inspection of Registers & Returns in addition to the Registered Office of the Company.

"RESOLVED THAT in supersession of Resolution No.10 passed at the Annual General Meeting of the Company held on 31st January, 1977 and pursuant to sub-section (1) of Section 163 of the Companies Act, 1956, the Company hereby approves that the Registers and the Indexes of Members, Debenture-holders and Bondholders and copies of all Annual Returns prepared under Section 159 of the said Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the said Act or any one or more of them be kept at the Registered Office of the Company, and/or at Voltas House, 14, J.N. Heredia Marg, Ballard Estate, Bombay 400 038, and/or at Henley House, 7, Narottam Morarji Marg, Ballard Estate, Bombay 400 038, and/or at Voltasagar, Dr. Ambedkar Road, Bombay 400 033, and/or at NKM International House, 178, Backbay Reclamation, Bombay-400 020.

RESOLVED FURTHER THAT the Registers, Indexes, Returns, Books, Certificates and Documents of the Company, required to be maintained and kept open for inspection under the provisions of the said Act, be kept open for such inspection, at the place where they are kept, by the persons entitled thereto, to the extent, in the manner and on payment of the fees, if any, specified in the said Act, between the hours of 10.00 a.m. and 12.30 p.m. on any working day except when the Registers and Books are closed under the provisions of the said Act, or the Articles of Association of the Company provided, however, that the Register required to be maintained under Section 307 of the said Act, shall be open for inspection of the Members and of the holders of the Debentures and Bonds of the Company, as aforesaid between the hours abovementioned during the period prescribed by sub-section (5)(a) of the aforesaid Section."

RESOLUTION

The following Resolution was passed by the Shareholders at an Extraordinary General Meeting of the Company held on 8th August, 1983 :-

SPECIAL RESOLUTION NO.1: Re: Issue of-

- i) 3,00,000 13.5% Secured Convertible Bonds of Rs.100/- each, and
- ii) 3,00,000 15% Secured Non-Convertible Bonds of Rs.300/- each.

aggregating face value of Rs.12,00,00,000 (Rupees Twelve Crores).

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Controller of Capital Issues and such other approvals, permissions and sanctions as may be necessary and subject to such terms, conditions and modifications as may be prescribed in granting such approvals and which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to the simultaneous issue of Two Series of Bonds aggregating Rs.12 crores and to be subscribed jointly as a combined package on the conditions set out below:

- (1) The issue will consist of (i) 3,00,000 13.5% Secured Convertible Bonds of Rs.100 each of the aggregate face value of Rs.3,00,00,000 (Rupees Three crores) and (ii) 3,00,000 15% Secured Non-Convertible Bonds of Rs.300 each of the aggregate face value of Rs.9,00,00,000/- (Rupees Nine crores).
- (2) Both the Series of the Bonds will be issued simultaneously and will have to be subscribed jointly and, therefore, equal number of both the Series will be offered/applied for and allotted.
- (3) Subject to such alterations as may be prescribed by the Controller of Capital Issues and the Stock Exchange Authorities and agreed upon by the Board of Directors, the basis of the issue shall be :-

Estimated
Amount
(Rs.in lakhs)

I.	Rights issue to the Equity Shareholders of the Company on the basis of 1 Convertible Bond of Rs.100 and 1 Non-Convertible Bond of Rs.300 for every 4 Equity Shares of Rs.100 each (in case of 'B' Series for every 40 Equity Shares of Rs.10 each) held (fractions being ignored) with the right to renounce and to apply for additional bonds on a restricted basis.	786.50
II.	Rights issue to the holders of the existing Convertible Bonds on the basis of 1 Convertible Bond of Rs.100 and 1 Non-Convertible Bond of Rs.300 for every 4 existing Convertible Bonds held (fractions being ignored)	200.00
III.	Offer on a restricted basis to :-	
	(1) employees, associates and friends (including non-residents of Indian origin)	153.50
	(ii) Depositors and Debentureholders	<u>60.00</u>
		<u>1200.00</u>

In case any of the Bonds offered as Rights are not taken up by the Shareholders/Convertible Bondholders, they will be included in the offer to the other categories of persons mentioned above. It is proposed to provide for subscription by non-residents of Indian origin in the category of "employees, associates and friends" and/or in the event of the total issue being undersubscribed - subject to an overall limit of Rs.100/- lakhs to be offered or taken up by such non-residents of Indian origin with full repatriation rights.

- (4) The Bonds will be offered to the Equity Shareholders, Convertible Bondholders, Debentureholders and Depositors who are on the respective registers of the Company and to the employees on the pay roll of the Company on a date to be hereafter fixed by the Board of Directors and in the case of Debentureholders, Depositors, employees, associates and friends in such numbers and on such basis as the Directors in their own discretion deem fit.

- (5) At the end of two years from the date of allotment, the Convertible Bonds of Rs.100 each will be compulsorily and automatically converted into one fully paid Equity Share of the Company of the nominal value of Rs.100 each.
- (6) In the event of any further Bonus Share issue being made before the stipulated date of conversion, the holder of the Convertible Bonds of Rs.100/- will still receive only one Equity Share of the Company at par (since conversion has been stipulated at par and no further adjustment is necessary).
- (7) The Non-Convertible Bonds of Rs.300 each will be repayable at par at the end of 7 years from the date of allotment of these Bonds.
- (8) The Equity Shares allotted on conversion shall rank pari passu in all respects with the Equity Shares of the Company existing at the time of the conversion except that such Equity Shares shall carry the right to receive proportionate dividend from the date of conversion, which may be declared for the financial year in which the conversion takes place.
- (9) Security:
 - 9.1 The 13.5% Convertible Bonds of the aggregate value of Rs.3 crores will be secured by a floating charge on the Company's tangible assets other than fixed assets and investments and such floating charge will be subject to the existing and future prior charge or charges on the Company's current assets and will also be subject to the existing as well as future charges on the said tangible assets in favour of the Company's Bankers, Debenture-holders, Financial Institutions or other persons. The Company shall have the liberty to create, in future, a prior floating charge(s) on the said tangible assets without the consent of the holders of these Bonds.
 - 9.2 The 15% Non-Convertible Bonds of the aggregate value of Rs.9 crores will be secured:

by a mortgage by deposit of title deeds on the immovable properties of the Company, both present and future and such mortgage will rank as to priority to such extent and in such a manner as may be agreed to by the persons who currently hold a mortgage/charge on the said immovable properties.

AND

by a floating charge on the said tangible assets of the

Company as mentioned above, subject to the existing and future prior charge or charges on the Company's current assets and will also be subject to the existing as well as future charges on the said tangible assets in favour of the Company's Bankers, Debentureholders, Financial Institutions or other persons. The Company shall have the liberty to create, in future, a prior floating charge(s) on the said tangible assets without the consent of the holders of these Bonds.

- (10) An application will be made to list the Two Series of Convertible and Non-Convertible Bonds separately on the Stock Exchange at Bombay.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to issue and allot to the holders of the new Convertible Bonds of Rs.100 each, such number of Equity Shares of the Company as may be required to be issued pursuant to the compulsory conversion referred to above.

RESOLVED FURTHER that the Directors be and they are hereby authorised to create all such mortgage(s) and charge(s) as may be required to be created in pursuance of this Resolution and to sign all such papers and documents as may be required to give effect to this Resolution.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Directors be and are hereby authorised to prescribe the Forms of Application and Letter of Offer, to determine the amounts payable on application, allotment and by way of further calls, if any, in respect of these Bonds, to issue the Letters of Offer accordingly, to appoint Advisers and Consultants, Managers to the Issue, Registrars to the Issue, Bankers to the Issue, Underwriters and/or Brokers for the purposes of the Issue and pay, if they so think fit, underwriting commission and/or brokerage as may be lawful and reasonable and to take such action or give such directions as may be necessary or desirable and to accept any modifications in the proposal and terms of the issue of the Bonds as may be required by the Controller of Capital Issues and other Authorities and to settle any question or difficulty that may arise in regard to the issue and allotment of these Bonds."

RESOLUTIONS

The following Resolutions were passed at the 31st Annual General Meeting of Voltas Limited) duly convened and held at Patkar Hall of S.N.D.T. Women's University, 1, Nathibai Thackersey Road, Bombay 400 020, on Tuesday, 25 March, 1986:-

ORDINARY RESOLUTION NO. 9 :

"RESOLVED that pursuant to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, Mr. A.H. Tobaccowala be appointed Executive Chairman, for a period of three years with effect from 1st January, 1986, upon the terms and conditions set out in the draft agreement submitted to this Meeting and for identification signed by the Chairman thereof, which agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said agreement without increasing the remuneration mentioned therein and in such manner as may be agreed to between the Central Government and the Directors and acceptable to Mr.A.H. Tobaccowala."

SPECIAL RESOLUTION NO. 10 :

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, and in terms of the approval of the Controller of Capital Issues and subject to such other amendments and approvals as may be necessary, the consent of the Company be and is hereby granted to the Board of Directors of the Company, to issue for cash at par 10,00,000 Secured Convertible Debentures of Rs.100 each of the aggregate value of Rs.10,00,00,000 (Rupees Ten crores only) for subscription on Rights basis to the shareholders of the Company as set out hereinafter, inter alia, upon the following terms and conditions:-

- (1) The issue will consist of 10,00,000 Secured Convertible Debentures of the face value of Rs.100/- each (hereinafter referred to as the "Debentures").
- (2) The Debentures will be offered as "Rights" to the existing shareholders on the Register of Members of the Company on a date to be determined by the Board of Directors, in the ratio of 3 Debentures for every 4 Equity Shares of Rs.100/- each held and 3 Debentures

for every 40 'B' Series Equity Shares of Rs.10/- each held (fractions being ignored). However, Shareholders having less than 4 shares (or 40 'B' Series shares) will be offered and will have to apply for a minimum of 3 Debentures. Shareholders will have the right to renounce as also to apply for additional Debentures in multiples of 3. In case any Debentures are not taken up by the Shareholders, the Board of Directors shall have full discretion and absolute authority to offer the unsubscribed Debentures to whomsoever they may deem fit.

- (3) The Debentures will carry interest @ 13.5% per annum (payable half-yearly).
- (4) A portion of the Debenture issue will be convertible into Equity Shares of the Company, after 3 years but not later than 4 years from the date of allotment. The extent of the conversion portion and the conversion price will be determined at that time by the Board of Directors subject to the approval of the Controller of Capital Issues. On the determination of the terms of conversion and subject to the terms and conditions of such conversion, the face value of the Debentures may be suitably adjusted and altered.
- (5) The non-convertible portion of the Debenture issue will be redeemed at par at the end of seven years from the date of allotment.
- (6) The Debentures will be secured by an appropriate mortgage/charge on the Company's immovable/movable assets in a manner as may be agreed to between the Board of Directors and existing lenders. The Company shall be at liberty to create any future mortgages/charges/hypothecations on all or any of its assets without the consent of the Debenture holders, whether ranking in priority thereto or otherwise, subject to approval of financial institutions/debenture-trustees and maintaining a minimum security cover as agreed to by financial institutions.
- (7) Applications will be made to list the Debentures on the Stock Exchanges in Bombay, Pune, Calcutta, Hyderabad, Ahmedabad and New Delhi.

RESOLVED FURTHER that the Directors be and they are hereby authorised to create all such mortgage(s) and charge(s) as may be required to be created in pursuance of

this Resolution and to sign all such papers and documents as may be required to give effect to this Resolution.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Directors be and are hereby authorised to prescribe the Forms of Application, Letter of Offer, to determine the basis of allotment, the amount payable on application, allotment and by way of further calls, if any, in respect of these Debentures, to issue the Letters of Offer/Letters of Allotment/Debenture Certificate accordingly, to appoint Advisers and Consultants, Managers to the Issue, Registrars to the Issue, Bankers to the Issue, Underwriters and/or Brokers for the purposes of the Issue and pay, if they so think fit, underwriting commission and/or brokerage as may be lawful and reasonable and to take such action or given such directions as may be necessary or desirable and to settle any question or difficulty that may arise in regard to the issue, allotment and conversion of the Debentures."

ORDINARY RESOLUTION NO. 11 :

"RESOLVED that the consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, to the creation by the Board of Directors of the Company of such mortgages, charges or hypothecations, in addition to the mortgages, charges and hypothecations, created by the Company as the Board may deem fit, on the whole or substantially the whole of the Company's any one or more undertakings or all the undertakings, including present and/or future properties whether movable or immovable comprised in any undertaking or undertakings of the Company as the case may be, in favour of Trustees to be appointed by the Board for the holders of Secured Convertible Debentures of the aggregate nominal value of Rs.10,00,00,000 (Rupees Ten crores only) (hereinafter referred to as the "Debentures") with power to the Debenture Trustees so appointed to take over the management of the business and concern of the Company in certain events and upon the other terms and conditions to be decided upon by the Board of Directors of the Company, to secure the Debentures issued/to be issued on Rights basis together with interest thereon, additional interest if any, remuneration of the Debenture Trustees, and costs, charges and other moneys payable by the Company to the Debenture Trustee and/or to the holders of the Debentures in terms of the issue of the said Debentures, such security to rank in a manner as may be agreed to between the concerned parties.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with the Debenture Trustees the documents for creating the aforesaid mortgages and/or charges and to do all such acts and things as may be necessary for giving effect to the above Resolution."

RESOLUTION

The following Resolution was passed by the Shareholders at the 33rd Annual General Meeting of the Company, held on 1st February, 1988:-

ORDINARY RESOLUTION No.8 :- Appointment of Executive Chairman & Revision in Remuneration.

"RESOLVED that pursuant to the provisions of Sections 198, 268, 269, 310 and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approval of the Central Government as may be necessary, the Company hereby approves the increase in the remuneration of Mr.A.H. Tobaccowala, Executive Chairman of the Company, with effect from the date on which the proposed Companies (Amendment) Bill, 1987 comes into force till the expiry of his present term of appointment upto 31st December, 1988, as set out in the draft Agreement submitted to this Meeting and for identification signed by the Chairman hereof, with such modification as may be required by the Central Government while according the approval and as may be agreed to by the Board of Directors of the Company and acceptable to Mr.A.H. Tobaccowala.

RESOLVED FURTHER that pursuant to the provisions of Sections 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government if required, Mr. A.H. Tobaccowala, be re-appointed Executive Chairman of the Company for a further period of three years with effect from 1st January, 1989, upon the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by the Chairman hereof, with such modification as may be required by the Central Government while according the approval and as may be agreed to by the Board of Directors of the Company and acceptable to Mr.A.H. Tobaccowala.

RESOLVED FURTHER that in the event of loss or inadequacy of profits in any year, the salary payable to Mr. A.H. Tobaccowala as stated in the draft Agreement referred to above, be reduced by ten per cent."

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 34th Annual General Meeting of the Company held on 4th January, 1989:-

ORDINARY RESOLUTION NO. 9 :

"RESOLVED that in accordance with the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, Mr.V.H. Munshi, be and is hereby appointed a Wholtime Director of the Company, with such designation as may be decided by the Board of Directors of the Company, for a period of five years with effect from 4th January, 1989 upon the terms and conditions set out in the draft Agreement submitted to this Meeting and for the purpose of identification initialled by the Chairman, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreements as they, in their discretion, deem fit within the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments made hereafter in that regard.

RESOLVED FURTHER that in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the salary payable to Mr.V.H. Munshi as provided for in the draft Agreement referred to above, shall be reduced by ten per cent."

ORDINARY RESOLUTION NO. 11 :

"RESOLVED that in accordance with the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the appointment of Mr.A.H. Tobaccowala as Executive Chairman of the Company for a period of five years with effect from 1st July, 1988 upon the remuneration and other terms and conditions set out in the draft Agreement submitted to this Meeting and for the purpose of identification initialled by a Director, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement as they, in their discretion, deem fit within the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments made hereafter in that regard.

RESOLVED FURTHER that in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the salary payable to Mr. A.H. Tobaccowala, as provided for in the draft Agreement referred to above, shall be reduced by ten per cent."

ORDINARY RESOLUTION NO. 13 :

"RESOLVED that consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the creation by the Board of Directors of the Company of such mortgages, charges or hypothecations, in addition to the mortgages, charges and hypothecations created by the Company, as the Board may deem fit on the whole or substantially the whole of the Company's undertakings including the present and/or future properties, whether movable or immovable, comprised in any undertakings of the Company as the case may be, in favour of Trustees to be appointed by the Board in respect of the 14% Secured Non-Convertible Debentures of Rs.100/- each of the aggregate value not exceeding Rs.15 crores issued/to be issued to the Financial Institutions/banks by way of private placement with power to the Debenture Trustees to take over the management of the business and concern of the Company in certain events and upon the other terms and conditions to be decided by the Board of Directors of the Company to secure the Debentures issued/to be issued to the said Institutions/banks as aforesaid together with interest thereon, additional interest, if any, remuneration of the Debenture Trustees and costs, charges, expenses and other moneys payable by the Company to the Debenture Trustees and/or to the holders of the Debentures in terms of the issue of the said Debentures and such security to rank in any manner as may be agreed to between the concerned parties.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with the Debenture Trustees the documents for creating the aforesaid mortgages and/or charges and to do all such acts and things as may be necessary for giving effect to the above Resolution."

SPECIAL RESOLUTION NO. 14 : Re : Alteration to the Articles of Association

"RESOLVED that the Articles of Association of the Company be altered pursuant to Section 31 of the Companies Act, 1956, in the following manner :-

(A) For Article 102 substitute the following :-

'102. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the Resolution not being less than one-tenth of the total voting power in respect of the Resolution or on which an aggregate sum of not less than Fifty thousand rupees has been paid-up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.'

(B) In Article 133, for the words beginning with, 'With effect from' and ending with the words, 'shall be the sum of Rs. 250/- for each meeting attended by him', substitute the following :-

'The maximum remuneration of a Director for his services shall be such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors attended by him.'

(C) Delete Article 143.

(D) At the end of clause (1) of Article 152, add the following words :-

'along with a deposit of Rs. 500/- which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director'."

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the Extraordinary General Meeting of the Company held on 29th May, 1989 :-

SPECIAL RESOLUTION NO. 1 : Re: Scheme of amalgamation of Volrho Limited with Voltas Limited.

"RESOLVED that the Scheme for Amalgamation of Volrho Limited with the Company (a copy of which is annexed hereto) as prepared by the Board for Industrial and Financial Reconstruction (BIFR) be and is hereby approved subject to such modifications, if any, as may be required by BIFR at the time of final sanction of the Scheme with authority to the Board of Directors of the Company to do all such acts, deeds and things as they consider to be in the interests of the Company and may be required to give effect to the said Scheme of Amalgamation with such modifications and conditions, if any, as may be stipulated/imposed by BIFR and/or lending agencies and/or other Government Authorities in sanctioning the said Scheme of Amalgamation and/or granting other approvals, if any, required in connection therewith."

SPECIAL RESOLUTION No. 2 : Re: Issue and allotment of Shares of Voltas in exchange of Shares of Volrho.

"RESOLVED that in accordance with the provisions of Section 81(1-A) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals, if any, as may be necessary and subject to such conditions/ modifications, if any, as may be prescribed while granting such approvals and which may be agreed to by the Board of Directors of the Company, consent of the Company be and is hereby granted to the issue of further 44,444 Equity Shares of Rs.100/- each of the Company or such number of shares as near as possible thereto for issue to the shareholders of Volrho Limited whose names appear on the Register of Members of that Company on such date as may be decided by the Board of Directors of the Company in exchange for the shares held by them in Volrho Limited in the ratio of 1 Equity Share of Rs.100/- each of Voltas Limited for every 90 Equity Shares of Rs.10/- each of Volrho Limited and ignoring fractions, if any, in the manner as provided in the Scheme of Amalgamation as may be finally sanctioned by BIFR.

RESOLVED FURTHER that such fractions of Equity Shares to which the members of Volrho Limited may be entitled shall

be consolidated into whole Equity Share and the Board of Directors of the Company will allot such whole Equity Shares to any person (including one or more of themselves or one or more of the Officers or employees of the Company) as the Board of Directors may in their absolute discretion select for the purpose of holding and selling the said whole Equity Shares at such time or times and at such price or prices as may be approved by the Board of Directors and the aggregate sale proceeds of all such whole Equity Shares (after defraying therefrom all costs, charges and expenses of the sale or sales) shall be distributed and divided pro rata amongst such members of Volrho Limited as would otherwise have been entitled to such fractions of such Equity Shares of the Company.

RESOLVED FURTHER that the Equity Shares so allotted shall in all respects rank pari passu with the existing Equity Shares of the Company save and except that such Equity Shares shall carry the right to receive proportionate dividend which may be declared by the Company for the financial year in which the allotment of the Shares becomes effective.

RESOLVED FURTHER that the Board of Directors be and is hereby empowered to make all such changes as may be required in the Scheme of Amalgamation by the BIFR, Government and other authorities in granting their approvals and which are acceptable to the Board of Directors of the Company."

SPECIAL RESOLUTION NO. 3 :

Re: Commencement of Volrho business by Voltas.

"RESOLVED that pursuant to Section 149 (2A) and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the Company for commencing the new business in accordance with clause III (13) of the Memorandum of Association of the Company pursuant to taking over of the business operations of Volrho Limited."

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 35th Annual General Meeting of the Company held on 25th September, 1989:-

SPECIAL RESOLUTION NO. 7 : Re : Commencement of New Business.

"RESOLVED that pursuant to Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the Company commencing the business of manufacturing and processing of all types of foods and beverages and plant and machinery required for this industry."

SPECIAL RESOLUTION NO. 13 : Re : Capitalisation of Reserves - Issue of Bonus Shares in the ratio of 1:2.

"RESOLVED that -

- (i) Subject to the consent of the Controller of Capital Issues and other approvals, if any, and subject to the conditions and modifications, if any, as may be prescribed and agreed to by the Board of Directors, a sum not exceeding Rs.6,61,33,110 (Rupees Six crores Sixty-one lakhs Thirty-three thousand One hundred Ten only) out of the amount standing to the credit of Capital Reserve and/or General Reserve in such proportions as the Directors may deem fit or such other amount as is permissible to be utilised for the purpose, as may be approved by the Controller of Capital Issues and agreed to by the Board, be and is hereby capitalised and a sum not exceeding Rs.6,61,33,110 be transferred from the aforesaid Reserves to the Share Capital and that the aforesaid sum be applied for allotment of Bonus Shares to the persons who, on a date to be hereafter fixed by the Directors, shall be the holders of the existing 1,32,26,621 Equity Shares of Rs.10 each of the Company in payment in full for 66,13,311 New Equity Shares of Rs.10 each and that such New Equity Shares out of the Company's unissued Equity Shares, credited as fully paid-up, be accordingly allotted as Bonus Shares to such aforesaid persons in the proportion of one New Equity Share of Rs.10 each for every two existing Equity Shares of Rs.10 each (ignoring fractions if any) held by such persons respectively on the said date, upon the footing that they become entitled thereto for all purposes as Capital;

- (ii) The 66,13,311 New Equity Shares of Rs.10 each shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with and carry the same rights as the existing Equity Shares and shall be entitled to participate in full in any dividends to be declared for the financial year in which the bonus Shares are allotted;
- (iii) All fractions resulting from the issue of the Bonus Shares in the aforesaid manner shall be consolidated into whole Equity Shares and the Board shall have the authority to dispose of such whole shares by selling them at the market price and to distribute the net proceeds thereof (less expenses, if any) proportionately, as far as practicable, to the members concerned;
- (iv) No Letter of Allotment shall be issued but the Share Certificates in respect of the New Equity Shares shall be completed and be ready for delivery within three months after the last date of allotment thereof or such extended period as may be approved by the Stock Exchange authorities;
- (v) The allotment and issue of the fully paid New Equity Shares as Bonus Shares and payment (if any) in respect of fractions of such shares, to the extent that they relate to non-resident members of the Company, shall be subject to the approval of the Reserve Bank of India under the Foreign Exchange Regulation Act, 1973;
- (vi) for the purpose of giving effect to this Resolution the Board of Directors be and is hereby authorised to give such directions as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise with regard to the proposed issue of the New Equity Shares;
- (vii) It is recorded that subject to unavoidable or unforeseen circumstances, it is the intention of the Board of Directors to recommend the declaration of a dividend of not less than 16% on the issued and subscribed Equity Capital of the Company as increased by the issue of the New Equity Shares as aforesaid in the year immediately after the Bonus Issue."

SPECIAL RESOLUTION NO. 14 :

Re:Determination of marketable lot of the Equity Shares of the Company.

"RESOLVED that the marketable lot of the Equity Shares of

Rs.10 each of the Company be and is hereby determined as 50 (Fifty).

RESOLVED FURTHER that the Articles of Association of the Company be and are hereby altered by insertion of the following new Article numbered 49A immediately after the existing Article 49:-

'49A Without prejudice to the generality of Article 49, the Directors shall be entitled not to accept any application for transfer of less than 50 Equity Shares of the face value of Rs.10 each being the marketable lot, provided, however, that this discretionary power shall not be exercised in respect of the following cases:-

- (i) a transfer of Equity Shares made in pursuance of any statutory provision or an order of a Competent Court of Law;
 - (ii) the transfer of the entire Equity Shares by an existing shareholder holding less than 50 Equity Shares to one or more existing shareholders to enable consolidation of holdings;
 - (iii) the transfer of not less than 50 Equity Shares in the aggregate in favour of the same transferee in two or more transfer deeds submitted together in which one or more relate(s) to the transfer of less than 50 Equity Shares;
 - (iv) the transfer of shares made at the discretion of the Directors under special circumstances to avoid undue hardship in genuine cases;
 - (v) the transfer of old Equity Shares of Rs.100 each prior to the issue to the holders thereof of certificates for New Equity Shares of Rs.10!"
-

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 36th Annual General Meeting of the Company held on 30th July, 1990 :-

SPECIAL RESOLUTION NO. 8 : Re : Payment of commission to the Non-Wholetime Directors.

"RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the payment of commission to the Directors (other than the Managing Director and Wholetime Directors) not exceeding 1% (one per cent) per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, such commission being divisible amongst the Directors as aforesaid in such proportion and in such manner and in all respects as may be decided by the Board of Directors of the Company and such payments shall be made in respect of the profits of the Company for each year of the period of five years commencing 1st April, 1990."

ORDINARY RESOLUTION NO. 9 : Re : Consent of the Company u/s 293(1)(a) to the Board of Directors for mortgaging/charging of all movable/immovable properties of the Company.

"RESOLVED that consent of the Company be and is hereby accorded in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the creation by the Board of Directors of the Company of such mortgages, charges or hypothecations in addition to the mortgages, charges and hypothecations created by the Company, as the Board may deem fit on the whole or substantially the whole of the Company's undertakings including the present and/or future properties, whether movable or immovable, comprised in any undertakings of the Company as the case may be in favour of the Trustees to be appointed by the Board in respect of Secured Non-Convertible Debentures of Rs.100/- each of the aggregate value not exceeding Rs.300 million carrying rate of interest at 14% or such other rate as may be permissible from time to time, issued/to be issued either at one time or from time to time to Banks, the Financial and Investment Institutions or others and either by way of private placement or otherwise with power to the Debenture Trustees to take over the management

of the business and concern of the Company in certain events and upon the other terms and conditions to be decided by the Board of Directors of the Company to secure the Debentures issued/to be issued to the said Institutions/others as aforesaid together with interest thereon, additional interest, if any, remuneration of the Debenture Trustees and costs, charges, expenses and other moneys payable by the Company to the Debenture Trustee and/or to the holders of the Debentures in terms of the issue of the said Debentures and such security to rank in the manner agreed to between the concerned parties.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with the Debenture Trustees the documents for creating the aforesaid mortgages and/or charges and to do all such acts and things as may be necessary for giving effect to the above Resolution."

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 37th Annual General Meeting of the Company held on 2nd September, 1991 :-

ORDINARY RESOLUTION NO. 9 :

"RESOLVED that pursuant to the provisions of Sections 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the salary payable to Mr. V.H. Munshi, Whole-time Director, be raised from Rs.12,500 to Rs.15,000 per month with effect from the date of this Meeting for the remaining period of his appointment, i.e. upto 3rd January, 1994, and where applicable and permissible increasing proportionately, all benefits related to the quantum of salary."

SPECIAL RESOLUTION NO. 16 :

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals including that of the Controller of Capital Issues and other approvals, permissions and sanctions as may be necessary and subject to such terms, conditions and modifications as may be considered necessary by the Board or as may be prescribed in granting such approvals and which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to issue 14% Secured Partly Convertible Debentures (hereinafter referred to as Debentures) of the face value of Rs.100 each aggregating Rs.114.16 crores at such time as the Board of Directors may, in their absolute discretion, think fit, inter alia, upon the following terms and conditions :-

i)	The Issue will comprise 1,14,16,000 Debentures of Rs.100 each, to be offered as follows:-	
		<u>Rs. in Crores</u>
a)	99,20,000 Debentures by way of Rights to the Equity Shareholders of the Company who are on the Register of Members on a date to be fixed by the Board in the ratio of 1 Debenture for every 2 Equity Shares held.	99.20
b)	4,96,000 Debentures on an equitable basis to the employees/Directors of the Company.	4.96
c)	10,00,000 Debentures to be issued to Non-Resident Indians/companies and persons of Indian Origin residing abroad on a repatriation basis	10.00
	TOTAL:	<u>114.16</u> =====

In the event of over subscription, the Board may in its sole discretion retain such amount of excess subscriptions in each category as above, as it may deem fit, upto a maximum of 15% of the amounts offered.

- (ii) If the shareholding of any of the holders of the existing equity shares is not in multiple of two, he shall be entitled to receive one fractional certificate representing one-half of the Debenture of Rs.100 for such excess holding and that any two such fractional certificates presented to the Company alongwith the amount payable thereon, not later than the day to be fixed by the Board of Directors in that behalf, shall confer upon the person presenting the same, the right to allotment of one such Debenture of Rs.100 of the Company. If the fractional certificates so issued are not presented for consolidation by the stipulated date, the Directors shall dispose of the Debentures representing the unconsolidated fractional certificates in such manner as they may in their absolute discretion deem fit.
- (iii) Each Debenture will comprise of two parts:
 - a) Part 'A' of Rs.60 to be compulsorily applied towards the price of one Equity Share of Rs.10 each at a premium of Rs.50 per share.
 - b) Part 'B' of Rs.40 being the non-convertible portion of the Debenture will be redeemed at par at the end of 7 years from the date of allotment.
- (iv) The conversion of Part 'A' of the Debentures will be at the time of allotment and the shares arising from such conversion will be paid-up in proportion to the amount paid-up on the Debentures upto the time of allotment. Thus there will be a constructive receipt by the Debentureholder and a constructive payment of the same amount by the Debentureholder to the Company towards the price of the Equity Share. The balance, if any of the Rs.60 when received will be applied appropriately to the face value of the Share and the premium thereon.
- (v) The amount of Rs.100 for each Debenture shall be payable on application/allotment/calls as may be determined by the Board of Directors. In case of Non-Resident Indians/companies and persons of Indian Origin residing abroad, the full amount of Rs.100/- for each Debenture shall be payable on application.
- (vi) In the Rights Issue, shareholders will have the option to

apply for additional Debentures provided that the shareholder who has renounced his right in whole or in part, shall not be entitled to apply for additional Debentures. Each Shareholder can apply for additional Debentures only upto a maximum number of 20,000 Debentures (in the same name or names) irrespective of number of application forms submitted.

- (vii) Shareholders will have the right to renounce the Debentures in favour of their nominee(s) subject to the authority of the Board to reject any nominee(s) at their discretion. Renounees can also apply for additional Debentures upto a maximum of 20,000 Debentures per renounee (in the same name or names) irrespective of the number of application forms submitted, provided they have applied for all the Debentures renounced in their favour. Renounees will be entitled to be allotted additional Debentures only if there is any surplus after allotment of the full rights entitlement and additional Debentures applied for by the Shareholders of the Company.
- (viii) If any Debentures offered as 'Rights' to the shareholders and to the Non-Resident Indians/companies and persons of Indian Origin remain unsubscribed, the Board shall have full authority to offer them to to whomsoever they may, in their absolute direction, deem fit.
- (ix) If any Debentures are not taken up by the employees/Directors out of the quota reserved for them, the unsubscribed portion shall be offered on an equitable basis to those employees/Directors of the Company, who have applied for additional Debentures. Any Debentures remaining unsubscribed thereafter out of this quota, will lapse.
- (x) The non-convertible portion of the Debenture will carry interest at the rate of 14% per annum from the date of allotment, payable half-yearly till the date of redemption.
- (xi) The Equity Shares allotted as a result of the automatic and compulsory conversion of Part 'A' of the Debentures into Equity Shares as set out in clause (iii) above, will rank pari passu in all respects with the existing Equity Shares of the Company save that such Equity Shares shall carry the right to receive a proportionate dividend which may be declared for the financial year in which the shares as allotted.
- (xii) The non-convertible portion of the Debentures will be secured by an appropriate mortgage/charge on the Company's immovable/movable assets.

(xiii) The Equity Shares allotted on conversion and the non-convertible part of the Debentures will be listed on all the Stock Exchanges on which the existing securities of the Company are listed.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to issue to the Debentureholders such number of Equity Shares as are required to be issued upon automatic and compulsory conversion of Part 'A' of the Debentures into Equity Shares of the Company.

RESOLVED FURTHER that for the purpose of giving effect to the above Issue of Debentures, the Board of Directors be and is hereby authorised to make and accept, in the interest of the Company, all such modifications and alternations to the terms and conditions of the Issue as may be considered necessary or expedient and to take all actions as may be necessary or desirable to effect such modifications/alterations and to settle all questions or difficulties that may arise in regard to the issue and allotment of the Debentures.

ORDINARY RESOLUTION NO. 17 :

"RESOLVED that pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company of such mortgages, charges and/or hypothecations in addition to the existing mortgages, charges and hypothecations created by the Company in such form and manner as may be agreed to between the Board of Directors and the Trustees for the Debentureholders on all or any of the immovable and movable properties of the Company both present and future of every nature and kind whatsoever and the undertaking of the Company together with power to take over the business or undertaking of the Company in certain events to secure the issue of the 14% Partly Convertible Debentures of Rs.100 each of the aggregate face value not exceeding Rs.131.28 crores (including oversubscription of the aggregate face value not exceeding Rs.17.12 crores as may be retained by the Directors) together with interest thereon and to fix the remuneration of the Agents and Trustees for the Debentureholders, costs, charges and expenses and other monies in terms of the Agreement to be entered into between the Company and the Agents and Trustees for the Debentureholders.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise the documents for creating the aforesaid mortgage and/or charges and to do all such acts, things and matters as may be necessary for giving effect to the above Resolution."

The following Resolutions were passed by the Shareholders at an Extraordinary General Meeting of the Company held on 22nd November, 1991 :-

SPECIAL RESOLUTION NO.1 : Re: Scheme of Amalgamation of WNC LTD with Voltas Ltd.

"RESOLVED that the Scheme of Rehabilitation prepared by the Board for Industrial and Financial Reconstruction (BIFR) for Amalgamation of Wandleside National Conductors Limited with the Company be and is hereby approved subject to such modifications, if any, as may be required by BIFR at the time of final sanction of the Scheme with the authority to the Board of Directors of the Company to do all such acts, deeds and things as they consider to be in the interests of the Company and may be required to give effect to the said Scheme of Amalgamation with such modifications and conditions, if any, as may be stipulated/imposed by BIFR and/or lending agencies and/or other Government Authorities in sanctioning the said Scheme of Amalgamation and/or granting other approvals, if any, required in connection therewith."

SPECIAL RESOLUTION NO.2 : Re: Issue and allotment of Shares of Voltas in exchange of Shares of WNC Ltd.

"RESOLVED that in accordance with the provisions of Section 81(1-A) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals, if any, as may be necessary and subject to such conditions/modifications, if any, as may be prescribed while granting such approvals and which may be agreed to by the Board of Directors of the Company, consent of the Company be and is hereby accorded to the issue of further 13313 Equity Shares of Rs.10 each of the Company or such number of shares as near thereto as possible for the purpose of issue to the shareholders of Wandleside National Conductors Limited whose names appear on the Register of Members of that company on such date as may be decided by the Board of Directors of the Company in exchange of the shares held by them in Wandleside National Conductors Limited in the ratio of One Equity Share of Rs.10 each of Voltas Limited for every Three Equity Shares of Rs.100 each of Wandleside National Conductors Limited and ignoring fractions, if any, in the manner provided in the Scheme of Amalgamation as may be finally sanctioned by Board for Industrial and Financial Reconstruction (BIFR).

RESOLVED FURTHER that such fractions of Equity Shares of Voltas Limited to which the members of Wandleside National

Conductors Limited may be entitled, on account of their shareholding not being in multiple of three, shall be consolidated into whole Equity Shares of Voltas Limited and the Board of Directors of the Company will allot such whole Equity Shares to any person (including one or more of themselves or one or more of the officers or employees of the Company) as the Board of Directors may in their absolute discretion select for the purpose of holding and selling the said whole Equity Shares at such time or times and at such price or prices as may be approved by the Board of Directors and the aggregate sale proceeds of all such whole Equity Shares (after defraying therefrom all costs, charges and expenses of sale or sales) shall be distributed and divided pro rata amongst such members of Wandleside National Conductors Limited as would otherwise have been entitled to such fractions of such Equity Shares of the Company.

RESOLVED FURTHER that the Equity Shares so allotted shall in all respects rank pari passu with the existing Equity Shares of the Company save and except that such Equity Shares shall carry the right to receive proportionate dividend which may be declared by the Company for the financial year in which the allotment of the shares becomes effective; AND such shareholders shall not be entitled to allotment of 14% Secured Partly Convertible Debentures proposed to be issued by the Company on a Rights basis to its existing shareholders.

RESOLVED FURTHER that the Board of Directors be and is hereby empowered to make all changes as may be required in the Scheme of Amalgamation by the BIFR, Government and other authorities in granting their approvals and which are acceptable to the Board of Directors of the Company."

SPECIAL RESOLUTION NO.3 : Re: Commencement of WNC business by Voltas.

"RESOLVED that pursuant to Section 149(2-A) and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the Company for commencing the new business in accordance with clause III (3) of the Memorandum of Association of the Company pursuant to taking over of the business operations of Wandleside National Conductors Limited."

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 39th Annual General Meeting of the Company held on 29th September, 1993 :-

ORDINARY RESOLUTION NO. 7 :

"RESOLVED that in accordance with the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr.A.H. Tobaccowala as Executive Chairman of the Company, be and is hereby approved, commencing from the date and on the terms and for the period set out in the draft Agreement submitted to this Meeting, the terms of which are indicated in the Explanatory Statement of the Notice of this Annual General Meeting and with liberty to the Directors to sanction and/or vary the said terms and conditions of the said appointment and/or Agreement as they in their discretion deem fit."

ORDINARY RESOLUTION NO. 8 :

"RESOLVED that in accordance with the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr.S.M. Bhandarkar as Wholetime Director of the Company, be and is hereby approved, commencing from the date and on the terms and for the period set out in the draft Agreement submitted to this Meeting, the terms of which are indicated in the Explanatory Statement of the Notice of this Annual General Meeting and with liberty to the Directors to sanction and/or vary the said terms and conditions of the said appointment and/or Agreement as they in their discretion deem fit."

ORDINARY RESOLUTION No. 9 :

"RESOLVED that pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the increase in the remuneration of Mr.V.H. Munshi, Wholetime Director of the Company, with effect from 14th July, 1993, till the expiry of the present term of this appointment as set out in the draft Agreement submitted to this Meeting and contained in the Explanatory Statement of the Notice of this Meeting with liberty to the Directors to sanction and/or vary the said terms and conditions of the Agreement as they in their discretion deem fit."

ORDINARY RESOLUTION NO. 10 :

"RESOLVED that pursuant to the provisions of Section

293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, transfer, and/or otherwise dispose of the whole or any part of the Company's undertaking comprising of the Switchgear Plant located at Thane, or any part of its assets and liabilities as a going concern to Voltas Switchgear Limited, on such terms and conditions and in such form and manner as the Board of Directors of the Company may decide in the interest of the Company, with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution."

ORDINARY RESOLUTION NO. 11 :

"RESOLVED that pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, transfer, and/or otherwise dispose of the whole or any part of the Company's undertaking comprising of the Transformer Plant located at Pune, or any part of its assets and liabilities as a going concern to Voltas Transformers Limited, on such terms and conditions and in such form and in such manner as the Board of Directors of the Company may decide in the interest of the Company, with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution."

ORDINARY RESOLUTION NO. 12 :

"RESOLVED that pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, transfer and/or otherwise dispose of the whole or part of the Company's undertaking comprising of the Beverages Plant located at Roha or any part of its assets and liabilities for such consideration and on such terms and conditions as the Board of Directors of the Company in their absolute discretion deem fit, in the interest of the Company, with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution."

The following Resolutions were passed by the Shareholders at the Extraordinary General Meeting of the Company held on 28th March, 1994 :-

SPECIAL RESOLUTION NO. 1 :

"RESOLVED that the Scheme of Amalgamation of Hyderabad Allwyn Limited (HAL) with the Company (a copy of which is annexed hereto), be and is hereby approved subject to such modifications, if any, as may be required by the Board for Industrial and Financial Reconstruction (BIFR) at the time of the final sanction of the Scheme with the authority to the Board of Directors of the Company to do all such acts, deeds and things as they consider in the interests of the Company and may be required to give effect to the said Scheme of Amalgamation with such modifications and conditions, if any, as are acceptable to the Board of Directors and as may be stipulated/imposed by BIFR and/or lending agencies and/or other State or Central Government authorities and/or HAL in sanctioning or participating in the said Scheme of Amalgamation and/or granting other approvals, if any, required in connection therewith."

ORDINARY RESOLUTION NO. 2 :

"RESOLVED that the Authorised Share Capital of Rs. 45,00,00,000 (Rupees Forty-five crores) divided into 4,50,00,000 (Four crore Fifty lakhs) equity shares of Rs.10 (Rupees Ten) each, be and is hereby increased to Rs.60,00,00,000 (Rupees Sixty crores) divided into 5,80,00,000 (Five crore Eighty lakhs) Equity Shares of Rs.10 (Rupees Ten) each and 2,00,000 (Two lakhs) 14% Redeemable Preference Shares of Rs.100 (Rupees One hundred) each and that Clause V of the Memorandum of Association of the Company be altered accordingly."

SPECIAL RESOLUTION NO. 3 :

"RESOLVED that the Articles of Association of the Company be altered pursuant to Section 31 of the Companies Act, 1956, in the following manner :-

A. For Article 5, substitute the following :-

'5. The Capital of the Company is Rs.60,00,00,000 (Rupees Sixty crores) divided into 5,80,00,000 (Five crore Eighty lakhs) Equity Shares of Rs.10 (Rupees Ten) each and 2,00,000 (Two lakhs) 14% Redeemable Preference Shares of Rs.100 (Rupees One hundred) each."

- B. After Article 17, insert the following article as Article 17A:-

Shares with non- voting rights	'17A. In the event it is permitted by the Law to issue shares with non-voting rights attached to them, the Directors may issue such shares upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by the Law."
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SPECIAL RESOLUTION NO. 4 :

"RESOLVED that in accordance with the provisions of Section 81(1-A) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals, if any, the consent of the Company be and is hereby accorded to the issue of 12,56,828 Equity Shares of Rs.10 each of the face value of Rs. 12.57 million and 1,25,682 14% Redeemable Preference Shares of Rs.100 each (redeemable at par not later than 1st April, 1998) of the face value of Rs.12.57 million of the Company or such number of shares as near as possible thereto for issue to the shareholders of Hyderabad Allwyn Limited (HAL), whose names appear on the Register of Members of the Company on such date as may be decided by the Board of Directors of the Company in exchange of the shares held by them in HAL in the proportion of ten Equity Shares of Rs.10 each and one 14% Redeemable Preference Share of Rs.100 of Voltas Limited for every two hundred twenty Equity Shares of HAL of Rs.10 each and ignoring fractions, if any, in accordance with the Scheme of Amalgamation as may be finally sanctioned by the Board for Industrial and Financial Reconstruction (BIFR).

RESOLVED FURTHER that in respect of such fractions of shares of Voltas Limited to which the members of HAL may be entitled, no fractional certificates shall be issued by Voltas Limited but such fractions shall be consolidated into whole shares and the Board of Directors of the Company will allot such whole shares to any person or persons as the Board of Directors may in their absolute discretion select for the purpose of holding and selling the said whole shares at such time or times and at such price or prices as may be approved by the Board of Directors and the aggregate sale proceeds of all such whole shares (after defraying therefrom all costs, charges and expenses of sale or sales) shall be distributed and divided pro rata amongst such members of HAL as would otherwise have been entitled to such fractions of such new shares of the Company.

RESOLVED FURTHER that the Equity Shares/14% Redeemable Preference Shares so allotted shall be subject to the provisions of the Articles of Association of the Company and the same shall be entitled to divided, if declared by the Company, for the financial year commencing from 1st April, 1993.

RESOLVED FURTHER that the Board of Directors be and is hereby empowered to make all changes as may be required in the Scheme of Amalgamation by the BIFR, Government and other authorities in granting their approvals and which are acceptable to the Board of Directors of the Company."

SPECIAL RESOLUTION NO. 5 :

"RESOLVED that pursuant to Section 149(2-A) and other applicable provisions, if any, of the Companies Act, 1956, approval be and is hereby accorded to the Company to commence and undertake the business presently carried on by Hyderabad Allwyn Limited (HAL) in accordance with Clause III (3) and (4) of the Memorandum of Association of the Company pursuant to taking over of business operations of HAL."

SPECIAL RESOLUTION NO. 6 :

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment to or re-enactment thereof) and subject to such other consents and approvals, if any, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors or as may be prescribed in granting such consents and approvals and which may be agreed to by the Board, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to issue in one or more tranches in the International or Domestic markets to Foreign Financial Institutions, to Foreign Investors/ Collaborators or Companies and/or to Foreign Investment Institutions operating in India whether shareholders of the Company or not (hereinafter collectively referred to as "Investors') through a Public Issue and/or Letter of Offer or a circular and/or Private Placement or in any other manner, Equity Shares and/or Equity Shares in the form of Depository Receipts and/or securities convertible into Equity Shares and/or securities linked to Equity Shares and/or securities with Share Warrants (hereinafter collectively referred to as "Securities") as may be thought fit upto an amount not exceeding US\$ 75 million (approximately Rs.2250 million)- inclusive of such premium as may be payable on

the Equity Shares at such time or times and at such price or prices as the Board in its absolute discretion deems fit, with an authority to the Board to retain oversubscription upto 25% or such other percentage as may be permitted, of the issue.

RESOLVED FURTHER that the Board be and is hereby authorised to issue and allot such number of additional Equity Shares as may be required in pursuance of the above issue, and that the Equity Shares so allotted shall rank in all respects pari passu with the existing shares of the Company save that:-

- (i) if prior to the issue of any of the Securities as are offered hereinabove, the Company is enabled as a result of legislative changes or enactments in India, to issue Equity Shares without voting rights attached to them (such shares hereinafter being referred to as the "non-voting shares") the Board may at its discretion issue such Securities with non-voting rights upon such terms and conditions and with such rights and privileges annexed thereto as may be permitted by the relevant law; and
- (ii) such Equity Shares with or without voting rights shall carry the right to receive dividend, which may be declared by the Company for the financial year in which the allotment of the Shares shall become effective pro rata from the respective dates of allotment.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Board of Directors be and is hereby authorised to determine the form and terms of the issue, the issue price and all other terms and matters connected therewith and to accept any modifications in the proposal as may be required by the authorities involved in such issue in India and abroad, and to appoint Lead Managers, Underwriters, Banks and others and to settle any questions or difficulties that may arise in regard to the issue."

SPECIAL RESOLUTION NO. 7 :

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956, (including any amendment to or re-enactment thereof) and subject to such other consents and approvals, if any, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors or as may be prescribed in granting such

consents and approvals and which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to issue Warrants for an aggregate number not exceeding 5 (Five) million to such of the Tata Group and Associate companies as are shareholders of the Company in such amounts as may be thought fit with a right attached to the holder of each Warrant to subscribe against payment in cash for one Equity Shares of the Company of Rs.10 for each Warrant held within such time and at such premium and on such terms as may be permitted in accordance with the prevailing rules/guidelines in this regard and in the absence of such rules/guidelines, at a price not less than 10% over the monthly Bombay Stock Exchange quotation average for the six months period September 1993 to February 1994 (both months inclusive) or such higher price as may be decided by the Board of Directors of the Company.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to issue and allot such number of additional Equity Shares as may be required in pursuance of the above issue of Warrants, and that the Equity Shares so allotted shall rank in all respects pari passu with the existing Shares of the Company, save that such Equity Shares shall carry the right to receive dividend which may be declared by the Company for the financial year in which the allotment of the Shares shall become effective pro rata from the date of allotment.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Board of Directors be and is hereby authorised to do all things necessary or expedient and to take all actions and to settle any question or difficulty that may arise in regard to the issue and allotment of the Warrants/Equity Shares."

ORDINARY RESOLUTION NO. 8 :

"RESOLVED that in accordance with the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII as amended, the appointment of Mr. V.H. Munshi as Wholetime Director of the Company for a period of five years with effect from 4th January, 1994 and as the Managing Director of the Company with effect from 1st April, 1994, be and is hereby approved on the terms and conditions set out in the draft Agreement submitted to this Meeting, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement as they, in their discretion deem fit, within the limits specified in Schedule XIII to

the Companies Act, 1956, or any amendments made hereafter in that regard."

ORDINARY RESOLUTION NO. 10 :

"RESOLVED that in supersession of Resolution No.11 passed at the 37th Annual General Meeting of the Company held on 2nd September 1991, and pursuant to Section 293(1)(d) and all other enabling provisions, if any, of the Companies Act, 1956, and the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time any sum or sums of money which, together with the moneys already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate 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, provided that the maximum amount of moneys so borrowed by the Board shall not at any time exceed the limit of Rs.5000 million."

SPECIAL RESOLUTION NO. 11 :

"RESOLVED that in supersession of Resolution No.6 passed at the 28th Annual General Meeting of the Company held on 21st February, 1983 and pursuant to sub-section (1) of Section 163 of the Companies Act, 1956, the Company hereby approves that the Registers and the Indexes of Members, Debentureholders and Bondholders and copies of all Annual Returns prepared under Section 159 of the said Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the said Act or any one or more of them be kept at the Registered Office of the Company, and/or at Voltas House, 14, J.N. Heredia Marg, Ballard Estate, Bombay - 400 038, and/or at Henley House, 7, Narottam Morarji Marg, Ballard Estate, Bombay-400 038, and/or at Voltasagar, Dr. Ambedkar Road, Bombay-400 033, and/or at NKM International House, 178, Backbay Reclamation, Bombay - 400 020, and/or at Voltas International House, 28-32, N.G.N. Vaidya Marg, Bombay - 400 023, and/or Maneckji Wadia Building, 127, M.G. Road, Bombay - 400 001, and/or Elphinstone Building, 6, Veer Nariman Road, Bombay - 400 023, and/or Mercantile Chambers, 12, J.N. Heredia Marg, Ballard Estate, Bombay - 400 038.

RESOLVED FURTHER that the Registers, Indexes, Returns, Books, Certificates and Documents of the Company, required

to be maintained and kept open for inspection under the provisions of the said Act, be kept open for such inspection, at the place where they are kept, by the persons entitled thereto, to the extent, in the manner and on payment of the fees, if any, specified in the said Act, between the hours of 10.00 a.m. and 12.30 p.m. on any working day except when the Registers and Books are closed under the provisions of the said Act, or the Articles of Association of the Company provided, however, that the Register required to be maintained under Section 307 of the said Act, shall be open for inspection of the Members and of the holders of the Debentures and Bonds of the Company, as aforesaid between the hours abovementioned during the period prescribed by sub-section (5) of the aforesaid Section."

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 40th Annual General Meeting of the Company held on 30th August, 1994 :-

ORDINARY RESOLUTION NO. 7 :

"RESOLVED that in partial modification of -

Resolution No.8 passed at the Extraordinary General Meeting of the Company held on 28th March, 1994 in respect of the appointment of Mr. V.H. Munshi, Managing Director; and

Resolution No.8 passed at the 39th Annual General Meeting of the Company held on 29th September, 1993 in respect of the appointment of Mr. S.M. Bhandarkar, Wholetime Director of the Company

and in accordance with the provisions of Sections 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the revised terms of remuneration and perquisites of the aforesaid Managing Director and Wholetime Director with effect from 1st February, 1994 for the remainder of the tenure of their contracts as set out in the respective draft Agreements submitted to this Meeting and signed by a Director thereof for the purpose of identification, which Agreements are hereby specifically sanctioned."

SPECIAL RESOLUTION NO. 8:

"RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the payment of commission to the Directors (other than the Managing Director and Wholetime Directors) not exceeding 1% (one per cent) per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, such commission being divisible amongst the aforesaid Directors in such proportion and in such manner and in all respects as may be decided by the Board of Directors of the Company and such payment shall be made in respect of the profits of the Company for each year of the period of five years commencing from 1st April, 1995."

RESOLUTIONS

The following Resolution Nos. 9 to 13 were passed by the shareholders at the 42nd Annual General Meeting of the Company held on 23rd September, 1996 :-

ORDINARY RESOLUTION 9 - Appointment and Remuneration of Mr. Bir D. Singh as a Wholetime Director

“RESOLVED that in accordance with the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the appointment of Mr. Bir D. Singh who has been appointed a Wholetime Director of the Company for a period of five years with effect from 26th December, 1995 on the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned and with liberty to the Directors to alter and vary the terms and conditions of the said appointment and or Agreement in such manner as may be agreed to between the Directors and Mr. Bir D. Singh.”

ORDINARY RESOLUTION 10 - Revision of the Salary payable to Mr. V. H. Munshi, Managing Director and Mr. S. M. Bhandarkar, Wholetime Director.

“RESOLVED that pursuant to the provisions of Section 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the salary payable to the Managing Director and the Wholetime Director with effect from the date of this Meeting, be revised for the remaining period of their appointment, as under:-

(a) Mr. V. H. Munshi, Managing Director, in the scale of Rs. 40,000 – Rs. 75,000 per month; and

(b) Mr. S. M. Bhandarkar, Wholetime Director, in the scale of Rs. 25,000 – Rs. 50,000 per month;

and where applicable and permissible, increasing proportionately, all benefits related to the quantum of salary.

RESOLVED FURTHER that the Board of Directors and/or a Committee of Directors, be and is hereby empowered to grant within the aforesaid limits, such increments to the Managing Director and the Wholetime Director from time to time, as it deems fit.”

ORDINARY RESOLUTION NO. 11: Increase in Authorised
Capital

"RESOLVED that the Authorised Share Capital of Rs.60,00,00,000 (Rupees Sixty Crores) divided into 5,80,00,000 (Five Crores Eighty Lakhs) Equity Shares of Rs.10 (Rupees Ten) each and 2,00,000 (Two Lakhs) 14% Redeemable Preference Shares of Rs.100 (Rupees One Hundred) each, be and is hereby increased to Rs.100,00,00,000 (Rupees One Hundred Crores) divided into 6,00,00,000 (Six Crores) Equity Shares of Rs.10 (Rupees Ten) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs.100 (Rupees One Hundred) each by the creation of 20,00,000 (Twenty Lakhs) Equity Shares of Rs.10 (Rupees Ten) each and 38,00,000 (Thirty Eight Lakhs) Redeemable Preference Shares of Rs.100 (Rupees One Hundred) each and that Clause V of the Memorandum of Association of the Company be altered accordingly."

ORDINARY RESOLUTION NO. 12 - Alteration in the Articles
of Association - Capital Clause

"RESOLVED that the Articles of Association of the Company be altered pursuant to Section 31 of the Companies Act, 1956, in the following manner:-

For Article 5, substitute the following:-

'5. The Capital of the Company is Rs.100,00,00,000 (Rupees One Hundred Crores) divided into 6,00,00,000 (Six Crores) Equity Shares of Rs.10 (Rupees Ten) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs.100 (Rupees One Hundred) each.'

SPECIAL RESOLUTION NO. 13 - Issue of Preference Shares

"RESOLVED that in accordance with the provisions of Sections 80, 81 and other applicable provisions, if any, of the Companies Act, 1956, and the Articles of Association of the Company, and subject to such consents and approvals as may be required and also subject to such terms, conditions and modifications, as may be considered necessary by the Board or as may be prescribed in granting such approvals and which may be agreed to by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to issue Redeemable Preference Shares of Rs.100 each and carrying dividend at not more than 15% p.a. for an aggregate value not exceeding Rs.350 million to the Members, Indian public, Non-resident Indians, Overseas Corporate Bodies, Banks/Financial Institutions, Foreign Institutional Investors, Bodies Corporate and to such other persons whether through public issue, rights issue, private placement, preferential allotment or a combination thereof, in one or more tranches, at such price/s, and on such terms and conditions as the Board may, in its absolute discretion consider fit, including the number of Preference Shares to be issued, redemption period, manner of redemption, and other related or incidental matters.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Board of Directors be and is hereby authorised to determine the amount, manner, form and terms of the issue, and all other matters connected therewith and to do all acts and things necessary in

respect of this issue including disposal of the unsubscribed portion of the Redeemable Preference Shares to such parties, in such manner and on such terms as the Board may, in its absolute discretion, consider proper and in the interest of the Company, and to settle any questions or difficulties that may arise in regard to the issue."

RESOLUTIONS

The following Resolutions were passed by the shareholders at the 43rd Annual General Meeting of the Company held on 24th September, 1997:-

ORDINARY RESOLUTION NO. 7 : Appointment and Remuneration to Mr. N.D. Khurodyas the Managing Director.

"RESOLVED that in accordance with the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the appointment of Mr. N.D. Khurody who has been appointed the Managing Director of the Company for a period from 2nd April, 1997 to 26th October, 2001, on the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is hereby specifically sanctioned and with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. N.D. Khurody".

ORDINARY RESOLUTION NO. 8 : WNC

"RESOLVED that pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, transfer and/or otherwise dispose of the whole or part of the Company's undertaking comprising of the Wandleside National Conductors (WNC) Division located at Pune or any part of its assets and liabilities for such consideration to such party or parties and on such terms and conditions as the Board of Directors of the Company in their absolute discretion deem fit, in the interest of the Company, with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution".

RESOLUTIONS

The following Resolutions were passed by the shareholders at the 44th Annual General Meeting of the Company held on 10th August, 1998:

ORDINARY RESOLUTION NO. 7 : Reappointment and
Remuneration payable to
Mr. S.M. Bhandarkar as a
Wholetime Director.

"RESOLVED that in accordance with the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the reappointment and terms of remuneration of Mr. S.M. Bhandarkar as Wholetime Director of the Company for a period from 24th June, 1998 to 16th June, 2002 on the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. S.M. Bhandarkar".

ORDINARY RESOLUTION NO. 9 : CHEMICALS PLANT

"RESOLVED that pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, transfer and/or otherwise dispose of the whole or substantially the whole of the Chemicals Plant at Patancheru, Medak District in Andhra Pradesh or any part of its assets and liabilities for such consideration to such party or parties and at such time and on such terms and conditions as the Board of Directors of the Company in their absolute discretion deem fit to be in the interest of the Company, with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution".

ORDINARY RESOLUTION NO. 10 : WHITE GOODS BUSINESS

"RESOLVED that pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell, lease, transfer and/or otherwise dispose of the whole or substantially the whole of the White Goods Business of the Company comprising of the Refrigerator Plant at Warora, Washing Machine Plant at Butibori and the Plants of the Allwyn Unit at Hyderabad and Nandalur in Cuddappa District in Andhra Pradesh or any part of its assets and liabilities for such consideration to such party or parties and at such time and on such terms and conditions as the Board of Directors of the Company in their absolute discretion deem fit to be in the interest of the Company, with full power and authority to the Board of Directors to do all such acts and things as may be necessary to implement this Resolution".

ORDINARY RESOLUTION NO. 11 : ISSUE OF NON-CONVERTIBLE
DEBENTURES- CREATION OF
CHARGES.

"RESOLVED that pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the creation by the Board of Directors of the Company of such mortgages, charges and/or hypothecations in addition to the existing mortgages, charges or hypothecations created by the Company as the Board may direct in such form and manner as may be agreed to between the Board of Directors and the Trustees for the Debentureholders on such of the assets of the Company, both present and future, of every nature and kind whatsoever and the undertaking of the Company together with power to take over the business or undertaking of the Company in certain events to secure the issue of the Secured Redeemable Non-Convertible Debentures of Rs.100 each of the aggregate face value not exceeding Rs.400 million which are proposed to be privately placed with the financial institutions, together with interest thereon at the agreed rate, additional interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the Trustees to be appointed under the Trust Deed and to the financial institutions under respective Agreements/Debenture Trust Deed to be entered into by the Company in respect of the said Debentures.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to finalise with the Institutions/Trustees, the documents for creating the mortgages, charges and/or hypothecations and accepting or making alterations, changes, variations to or in the terms and conditions and to do all such acts and things and to execute all such documents as may be necessary for giving effect to the above Resolution".

SPECIAL RESOLUTION NO. 12 :LOANS AND ADVANCES -
SECTION 370.

"RESOLVED that in supersession of the Resolution No.8 passed at the Fourteenth Annual General Meeting of the Company held on 18th February, 1969 and pursuant to the provisions of Section 370 and other applicable provisions, if any, of the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorised:

- (a) to make loan(s) to bodies corporate whether or not under the same management as the Company from time to time and on such terms and conditions as the Board may think fit, provided that, the aggregate of the loans made to all bodies corporate shall not at any one time exceed the limits of :
 - (i) thirty per cent of the aggregate of the subscribed capital of the Company and its free reserves where all such other bodies corporate are under the same management as the Company;
 - (ii) thirty per cent of the aggregate of the subscribed capital of the Company and its free reserves where all such other bodies corporate are not under the same management as the Company.
- (b) to give any guarantee(s) or provide any security(ies) in connection with a loan made by any other person to, or to any other person by, any body corporate, from time to time and on such terms and conditions as the Board of Directors may deem fit, provided that the aggregate of all such guarantees given or securities provided at any time shall not exceed Rs. 400 million".

SPECIAL RESOLUTION NO. 13 : ALTERATION IN ARTICLES.

"RESOLVED that the Articles of Association of the Company be altered pursuant to Section 31 of the Companies Act, 1956, in the following manner:

- A. After Article 13, insert the following heading and article as Article 13A:-

13A. Notwithstanding anything contained in these Articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions and subject to such approvals, as may be required or permitted by law.'

Buy-back
of shares

- B. After Article 75, insert the following heading and article as Article 75A:-

75A. 'DEMATERIALISATION OF SECURITIES

1. For the purpose of this Article:-

'Beneficial Owner' means a person or persons whose name is recorded as such with a depository.

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

'Depository' means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a Depository under the Securities and Exchange Board of India Act, 1992; and

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

Definitions

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 Depositories Act, 1996.

3. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities.

Options
for
Securities

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

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

Securities
in depo-
sitories to be
in fungible
form

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.

Rights of
depositories
and benefi-
cial owners

(b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other 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 records of the depository shall be deemed to be a member of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service of
documents

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

Transfer of
Securities

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 as beneficial owners in the records of a depository.

Allotment of
Securities dealt
with in a depository

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

Distinctive
Numbers of
Securities held
in a depository

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

Register and
Index of
beneficial
owners

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

C. For Article 195 substitute the following Article :-

'Unclaimed
Dividends.

195. Any unpaid or unclaimed dividends will be dealt with by the Company in accordance with the requirements of the provisions of the Companies Act, 1956.^{1b}

SPECIAL RESOLUTION NO. 14 : BUY-BACK OF SHARES

RESOLVED that if and when permitted by the law and subject to all applicable provisions of the law and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a Committee thereof), or as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to or accepted by the Board, the consent of the Company be and is hereby accorded to the Board, to purchase such number of Ordinary shares or other securities specified by the Government, of the Company, as may be thought fit, from the holders of the Ordinary shares or other securities of the Company in such proportion and manner as may be permitted by law, not exceeding such percentage of the capital of the Company as may be permitted by the law, from such funds of the Company as are permitted to be used for this purpose or out of the proceeds of any issue made by the Company on such terms and subject to such conditions as may be prescribed by the law.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts and things and give such directions as may be necessary or desirable and to settle all questions or difficulties whatsoever that may arise with regard to the said purchase of Ordinary shares or other securities.

RESOLVED FURTHER that nothing hereinabove contained shall confer any right on any shareholder to offer, or impose any obligation on the Company or the Board, to buy back any Ordinary shares or securities of the Company".

SPECIAL RESOLUTION NO. 15 : EMPLOYEE'S STOCK OPTION

"RESOLVED that in accordance with the provisions of Section 81 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof) and subject to such other approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be considered necessary by the Board of Directors of the Company (hereinafter referred to as the "Board" which expression shall also include a Committee thereof), or as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be agreed to or accepted by the Board in its sole discretion, the consent of the Company be and is hereby accorded to the Board to create, offer, issue, allocate or allot, in one or more tranches, to such persons who are, in the sole discretion of the Board, in the permanent employment of the Company and to the Managing Director/Wholetime Directors of the Company, such number of Ordinary shares of the Company of the face value of Rs. 10 each, not exceeding such percentage of the capital of the Company as may be permitted by the law, as the Board may deem fit, for subscription for cash or allocated as an option to subscribe, on such terms and at such price as may be fixed and determined by the Board prior to the issue and offer thereof in accordance with the applicable guidelines and provisions of law and otherwise ranking pari passu with the Ordinary shares of the Company as then issued and in existence and on such other terms and conditions and at such time or times as the Board may, in its absolute discretion and in the interest of the Company deem fit; Provided that the aforesaid issue of Ordinary shares may instead be in the form of fully or partly Convertible Debentures, Bonds, Warrants or other securities as may be permitted by the law, from time to time.

RESOLVED FURTHER that the Board be and is hereby authorised to issue, allocate and allot such number of Ordinary shares as may be required in pursuance of the above issue, and that the Ordinary shares so issued, allocated, or allotted shall rank in all respects pari passu with the existing Ordinary shares of the Company

save and except that such Ordinary shares which may be with or without voting rights, if permitted by the law, shall carry the right to receive either the full dividend or a pro-rata dividend from the date of allotment, as may be decided by the Board, declared for the financial year in which the allotment of the shares shall become effective.

RESOLVED FURTHER that the consent of the Company be and is hereby granted in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, and subject to all necessary approvals to the Board to secure, if necessary, all or any of the above mentioned securities to be issued, by the creation of mortgages and/or charges on all or any of the Company's immovable and/or movable assets, both present and future in such form and manner and on such terms as may be deemed fit and appropriate by the Board.

RESOLVED FURTHER that for the purpose of giving effect to the above, the Board be and is hereby authorised to determine the form and terms of the issue, the issue price and all other terms and matters connected therewith including the creation of mortgages and/or charges and to make and accept any modifications in the proposal as may be required by the authorities involved in such issues and to settle any questions or difficulties that may arise in regard to the issue".

The following Resolutions were passed by the Shareholders at the 45th Annual General Meeting of the Company held on 7th September, 1999 :-

ORDINARY RESOLUTION NO.6

Revision in the Remuneration of the Managing and Wholetime Directors

"RESOLVED that in partial modification of Resolution No. 9 passed at the Annual General Meeting of the Company held on 23rd September, 1996 for the appointment and terms of remuneration of Mr. Bir D. Singh as Wholetime Director and in partial modification of Resolution No. 7 passed at the Annual General Meeting of the Company held on 24th September, 1997 for the appointment and terms of remuneration of Mr. N.D. Khurody as Managing Director and in partial modification of Resolution No. 7 passed at the Annual General meeting of the Company held on 10th August 1998 for the reappointment and terms of remuneration of Mr. S.M. Bhandarkar as Wholetime Director of the Company and in accordance with the provisions of Sections 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the change in salary scale applicable to Mr. N.D. Khurody, Managing Director, Mr. S.M. Bhandarkar and Mr. Bir D. Singh, Wholetime Directors (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of their respective appointments) with authority to the Board of Directors to fix their salaries within their respective scales, increasing thereby, proportionately, all benefits related to the quantum of salary, with effect from 1st April, 1999 for the remainder of the tenure of their contracts as set out in the respective draft Supplemental Agreements submitted to this Meeting and initialled by a Director for the purpose of identification which Agreements are hereby specifically sanctioned."

SPECIAL RESOLUTION NO.8

Commission to Non-Wholetime Directors.

"RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the payment of commission not exceeding 1% (one per cent) per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing and Wholetime Directors) in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors of the Company and such payment shall be made out of the profits of the Company for each year of the period of five years commencing from 1st April, 2000."

The following Resolution was passed by the shareholders at the 46th Annual General Meeting of the Company held on 8th August, 2000 :-

SPECIAL RESOLUTION NO.7 : Place of keeping and Inspection of Members Registers and Returns

"RESOLVED that in supersession of Resolution No.11 passed at the Extraordinary General Meeting of the Company held on 28th March, 1994 and pursuant to sub-section (1) of Section 163 of the Companies Act, 1956, the Company hereby approves that the Registers and Indexes of Members and Debentureholders and copies of all Annual Returns prepared under Section 159 of the said Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the said Act or any one or more of them be kept at the Registered Office of the Company and/or at Maneckji Wadia Building, 127, Mahatma Gandhi Road, Mumbai 400023, and/or at Voltasagar, Dr. Ambedkar Road, Mumbai 400033, and/or at Tata Share Registry Limited, Army and Navy Building, 148, Mahatma Gandhi Road, Fort, Mumbai 400001 and any of their offices at Marwah House, Marwah Estate, Krishanlal Marwah Marg, Off Saki-Vihar Road, Andheri (East), Mumbai 400072, at N. M. Wadia Charities, Godown No.31, Jakaria Bunder Road, Cotton Green, Mumbai 400033, at Shreeji Warehousing Corporation, 1st floor, 5/B, Quereshi Nagar, Kurla (East), Mumbai 400070, and at Pooja Apartments Condominium, (Polyshoor Plastic Premises), L.B.S. Marg, Vikhroli (West), Mumbai 400083.

RESOLVED FURTHER that the Registers, Indexes, Returns, Books, Certificates and Documents of the Company, required to be maintained and kept open for inspection under the provisions of the said Act, be kept open for such inspection, at the place where they are kept, by the persons entitled thereto, to the extent, in the manner and on payment of the fees, if any, specified in the said Act, between the hours of 10.30 a.m. and 12.30 p.m. on any working day except when the Registers and Books are closed under the provisions of the said Act, or the Articles of Association of the Company provided, however, that the Register required to be maintained under Section 307 of the said Act, shall be open for inspection of the Members and of the holders of the Debentures of the Company, as aforesaid between the hours abovementioned during the period prescribed by sub-section (5) of the aforesaid Section."

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 47th Annual General Meeting of the Company held on 8th August, 2001: -

ORDINARY RESOLUTION NO. 8

**Appointment of Mr. A. Soni as the
Executive Director of the Company**

“RESOLVED that pursuant to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the appointment and terms of remuneration of Mr. A. Soni, Wholtime Director of the Company, designated Executive Director (since re-designated as the Deputy Managing Director) for a period from 25th September, 2000 to 26th October, 2001, on the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. A. Soni.”

ORDINARY RESOLUTION NO. 9

**Appointment of Mr. A. Soni as the
Managing Director of the Company**

“RESOLVED that pursuant to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the appointment and terms of remuneration of Mr. A. Soni, Managing Director of the Company for a period from 27th October, 2001 to 24th September, 2005 on the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. A. Soni.”

ORDINARY RESOLUTION NO. 10

**Appointment of Mr. S. N. Tripathi as
the Executive Director of the Company**

“RESOLVED that pursuant to the provisions of Sections 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the appointment and terms of remuneration of Mr. S. N. Tripathi, Wholtime Director of the Company, designated Executive Director for a period of five years with effect from 25th September, 2000, on the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification

signed by a Director thereof, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said appointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. S. N. Tripathi.”

SPECIAL RESOLUTION NO. 11

Authority to the Board of Directors to sell, lease or transfer the Company's Dadra Plant.

“RESOLVED that pursuant to the provisions of Section 293(1)(a) of the Companies Act, 1956, and/or subject to the approvals, if applicable or required under any statutes/rules/regulations or any other law for the time being in force, and subject to the approval of Financial Institutions and any other concerned authorities and subject to such terms and conditions as may be approved by them, consent of the Company be and is hereby accorded to the Board of Directors to sell, lease, transfer and dispose of the Dadra Plant of the Company and all related assets situate at 277/4, School Falia, Dadra Demni Road, Dadra together with the employees and use of all licences, permits, consents and approvals whatsoever and all the rights and benefits attached thereto and the related liabilities, to one or more persons, companies or entities at such price and on such terms and conditions, at such time and in such manner as may be decided by the Board of Directors or a Committee of Directors, with power to the Board of Directors or to the said Committee, in its absolute discretion, to finalise the terms and conditions, the means, methods or modes in respect thereof, and to finalise and execute all required documents including schemes of arrangements, agreements, deeds and other documents and to do all such other acts, deeds, matters and things as may be deemed necessary and expedient in their discretion and in the best interests of the Company including the power to delegate to give effect to this Resolution.”

SPECIAL RESOLUTION NO. 12

Authority to the Board of Directors to contribute to charitable and other funds.

“RESOLVED that in supersession of Resolution No.11 passed at the Twenty-Fourth Annual General Meeting of the Company held on 21st February, 1979 and pursuant to the provisions of Section 293(1)(e) of the Companies Act, 1956, and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to contribute to charitable and other funds not directly related to the business of the Company or to the welfare of its employees such amounts from time to time which the Board of Directors in its discretion deem fit, in any financial year to the extent of Rs.3 million or 5% of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater.”

SPECIAL RESOLUTION NO. 13

**Investment in the Equity shares of
Universal Comfort Products Private
Limited.**

“RESOLVED that pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to invest by way of subscription to and/or purchase of equity shares of Rs.10 each for cash at par upto an amount not exceeding Rs.105 million of a new company to be incorporated in the name and style, “Universal Comfort Products Private Limited” notwithstanding that such investment when made together with the Company’s existing investments, loans, guarantees and securities provided, will exceed the limits laid down under the provisions of Section 372A of the Companies Act, 1956 and the Board of Directors of the Company be and is hereby authorised to determine the actual sum to be so invested and to deal with all matters arising out of or incidental to the proposed investment and to do all such acts and things as may be necessary to implement this Resolution.”

SPECIAL RESOLUTION NO. 14

**Authority to the Board of Directors to
make loans/give guarantees or provide
securities to Universal Comfort Products
Private Limited.**

“RESOLVED that pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 and subject to such approvals as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make loan/s, give guarantee/s or provide security/ies in connection with loans to be made by any other person to the proposed new company, Universal Comfort Products Private Limited, upto an amount not exceeding Rs.150 million, notwithstanding that such loan/ security when made or guarantee when given together with the Company’s existing investments, loans, guarantees and securities provided, will exceed the limits laid down under the provisions of Section 372A of the Companies Act, 1956 and the Board of Directors of the Company be and is hereby authorised to determine the time and manner of making such loans and/or providing guarantees/securities and to deal with all matters arising out of or incidental thereto and to do all such acts and things as may be necessary to implement this Resolution.”

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 48th Annual General Meeting of the Company held on 12th August, 2002: -

SPECIAL RESOLUTION NO. 7 Alteration in Articles of Association

“RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered as follows:

In Article 197(1) the following new proviso shall be added:

‘Provided further that notwithstanding anything contained hereinabove, any amounts standing to the credit of the Share Premium Account may also be utilised (other than for Capitalisation), in accordance with the provisions of law.’”

SPECIAL RESOLUTION NO. 8 Utilisation of Share Premium Account
for adjustment of the Deferred Revenue
Expenditure

“RESOLVED that pursuant to the provisions of Sections 78, 100 and other applicable provisions, if any, of the Companies Act, 1956, and Articles 14 and 197 of the Articles of Association of the Company, and subject to the confirmation of the Hon’ble High Court of Judicature at Mumbai, an amount not exceeding Rs.597.193 million standing in the Share Premium Account of the Company be utilised for adjustment of the balance of the Deferred Revenue Expenditure (to the extent not written off or adjusted) as at 31st March, 2002, and such accretion thereto during the year 2002-03.

RESOLVED FURTHER that for the purpose of giving effect to the above Resolution and for removal of any difficulties or doubts, the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee or any person which the Board may nominate/constitute to exercise its powers, including the powers conferred under this Resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper and to settle any question or difficulty that may arise with regard to utilization/adjustment of the Share Premium Account including passing of such accounting entries and/or making such other adjustments in the books of account as considered necessary to give effect to the above Resolution or to carry out such modifications/directions as may be ordered by the Hon’ble High Court of Judicature at Mumbai to implement the aforesaid Resolution.”

SPECIAL RESOLUTION NO. 9**Revision in the terms of Remuneration of Mr. A. Soni, effective 1st April, 2002.**

“RESOLVED that in partial modification of Resolution No.9 passed at the Forty-Seventh Annual General Meeting of the Company held on 8th August, 2001 in respect of appointment and remuneration of Mr. A. Soni, Managing Director and in accordance with the provisions of Sections 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the revised terms of remuneration including perquisites and allowances of Mr. A. Soni, with effect from 1st April, 2002 as set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said remuneration and/or Agreement in such manner as may be agreed to between the Directors and Mr. A. Soni.”

SPECIAL RESOLUTION NO. 10**Revision in the terms of Remuneration of Mr. S. N. Tripathi, effective 1st April, 2002**

“RESOLVED that in partial modification of Resolution No.10 passed at the Forty-Seventh Annual General Meeting of the Company held on 8th August, 2001 in respect of appointment and remuneration of Mr. S. N. Tripathi, Executive Director and in accordance with the provisions of Sections 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the revised terms of remuneration including perquisites and allowances of Mr. S. N. Tripathi, with effect from 1st April, 2002 as set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said remuneration and/or Agreement in such manner as may be agreed to between the Directors and Mr. S. N. Tripathi.”

SPECIAL RESOLUTION NO. 11**Revision in the terms of Remuneration of Mr. Bir D. Singh, effective 1st April, 2002**

“RESOLVED that in partial modification of Resolution No.6 passed at the Forty-Sixth Annual General Meeting of the Company held on 8th August, 2000 in respect of appointment and remuneration of Mr. Bir D. Singh, Executive Director and in accordance with the provisions of Sections 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves of the revised terms of remuneration including perquisites and allowances of Mr. Bir D. Singh, with effect from 1st April, 2002 as set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said remuneration and/or Agreement in such manner as may be agreed to between the Directors and Mr. Bir D. Singh.”

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 49th Annual General Meeting of the Company held on 18th August, 2003:-

SPECIAL RESOLUTION NO. 7 - Revision in the terms of Remuneration of Mr. A. Soni, effective 1st April, 2003

“RESOLVED that in partial modification of Resolution No.9 passed at the Forty-Eighth Annual General Meeting of the Company held on 12th August, 2002 in respect of remuneration of Mr. A. Soni, Managing Director of the Company and in accordance with the provisions of Sections 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, if necessary, the Company hereby approves of the revised terms of remuneration including the minimum remuneration of Mr. A. Soni, with effect from 1st April, 2003 for the remainder of the tenure of his contract as set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said remuneration and/or Agreement in such manner as may be agreed to between the Directors and Mr. A. Soni.”

SPECIAL RESOLUTION NO. 8 - Revision in the terms of Remuneration of Mr. S. N. Tripathi, effective 1st April, 2003

“RESOLVED that in partial modification of Resolution No.10 passed at the Forty-Eighth Annual General Meeting of the Company held on 12th August, 2002 in respect of remuneration of Mr. S. N. Tripathi, Executive Director of the Company and in accordance with the provisions of Sections 269, 309, 310, 311 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, if necessary, the Company hereby approves of the revised terms of remuneration including the minimum remuneration of Mr. S. N. Tripathi, with effect from 1st April, 2003 for the remainder of the tenure of his contract as set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is specifically sanctioned with liberty to the Board of Directors to alter and vary the terms and conditions of the said remuneration and/or Agreement in such manner as may be agreed to between the Directors and Mr. S. N. Tripathi.”

SPECIAL RESOLUTION NO. 9 - Delisting of Securities from Stock Exchanges

“RESOLVED that pursuant to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee or any person which the Board may nominate to exercise its powers, including the powers conferred under this Resolution) consent of the Company be and is hereby accorded to delist the equity shares of the Company from all or any of the Stock Exchanges, viz. The Stock Exchange – Ahmedabad at Ahmedabad, The Delhi Stock Exchange Association Limited at New Delhi, The Calcutta Stock Exchange Association Limited at Kolkata, Madras Stock Exchange Limited at Chennai, Hyderabad Stock Exchange Limited at Hyderabad and Pune Stock Exchange Limited at Pune.

RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper and to settle all questions, difficulties or doubts that may arise in regard to the aforesaid voluntary delisting of shares without being required to seek any further approval of the members.”

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 50th Annual General Meeting of the Company held on 27th August, 2004:-

ORDINARY RESOLUTION NO. 6 - Contribution for Charitable purposes

“RESOLVED that in supersession of Resolution No.12 passed at the Forty-Seventh Annual General Meeting of the Company held on 8th August, 2001, and pursuant to the provisions of Section 293(1)(e) of the Companies Act, 1956, and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to contribute to charitable and other funds not directly related to the business of the Company or to the welfare of its employees such amounts from time to time which the Board of Directors in its discretion deem fit, in any financial year to the extent of Rs.50 lakhs or 5% of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during three financial years immediately preceding, whichever is greater.”

SPECIAL RESOLUTION NO. 7 - Commission to Non – Executive Directors

“RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, commission not exceeding 1% (one per cent) per annum of the net profits of the Company, calculated in accordance with the provisions of the said Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Executive Director/s) in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors of the Company and such payment shall be made out of the profits of the Company for each year, for a period of five financial years commencing from 1st April, 2005.”

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 51st Annual General Meeting of the Company held on 29th August, 2005:-

**SPECIAL RESOLUTION NO. 6 – Reappointment of Mr. A. Soni
as the Managing Director**

“RESOLVED that in accordance with the provisions of Sections 198, 269, 309, 310, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, if necessary, the Company hereby approves of the reappointment and terms of remuneration of Mr. A. Soni as the Managing Director of the Company for a period from 25th September, 2005 to 22nd April, 2010 on the terms and conditions set out in the draft Agreement submitted to this Meeting and for identification signed by a Director thereof, which Agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the terms and conditions of the said reappointment and/or Agreement in such manner as may be agreed to between the Directors and Mr. A. Soni.”

**SPECIAL RESOLUTION NO. 7 – Place of keeping and inspection of
Registers and Returns**

“RESOLVED that in supersession of Resolution No.7 passed at the Forty-Sixth Annual General Meeting of the Company held on 8th August, 2000 and pursuant to sub-section (1) of Section 163 of the Companies Act, 1956, the Company hereby approves that the Registers and the Indexes of Members and Debentureholders and copies of all Annual Returns prepared under Section 159 of the said Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the said Act or any one or more of them be kept at the Registered Office of the Company at Voltas House ‘A’, Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai – 400 033 and/or at Voltas House ‘B’, T. B. Kadam Marg, Chinchpokli, Mumbai – 400 033 and/or such other office building within the premises of the Company at Chinchpokli.

RESOLVED FURTHER that the Registers, Indexes, Returns, Books, Certificates and Documents of the Company, required to be maintained and kept open for inspection under the provisions of the said Act, be kept open for such inspection, at the place where they are kept, by the persons entitled thereto, to the extent, in the manner and on payment of the fees, if any, specified in the said Act, between the hours of 10.30 a.m. and 12.30 p.m. on any working day except when the Registers and Books are closed under the provisions of the said Act, or the Articles of Association of the Company provided, however, that the Register required to be maintained under Section 307 of the said Act, shall be open for inspection of the Members and of the holders of the Debentures of the Company, as aforesaid between the hours abovementioned during the period prescribed by sub-section(5) of the aforesaid Section.”

ORDINARY RESOLUTION NO. 8 – Creation of charges

“RESOLVED that pursuant to Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, together with power to take over the management and concern of the Company in certain events in favour of Banks/Financial Institutions or other lending agencies, trustees to secure rupee/foreign currency loans, debentures/bonds and/or such other borrowings (hereinafter collectively referred to as “Loans”) provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans, shall not, at any time exceed the limit of Rs.500 crores.

RESOLVED FURTHER that the Board be and is hereby authorised to finalise with the Banks, Financial Institutions, other lending agencies, trustees, the documents for creation of mortgages and/or charges and do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to the above Resolution.”

ORDINARY RESOLUTION NO. 9 – Contribution for Charitable purposes

“RESOLVED that in supersession of Resolution No.6 passed at the Fiftieth Annual General Meeting of the Company held on 27th August, 2004, and pursuant to the provisions of Section 293(1)(e) of the Companies Act, 1956, and other applicable provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company to contribute to charitable and other funds not directly related to the business of the Company or to the welfare of its employees such amounts from time to time which the Board of Directors in its discretion deem fit, in any financial year to the extent of Rs.100 lakhs or 5% of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during three financial years immediately preceding, whichever is greater.”

RESOLUTION

The following Special Resolution was passed by the Shareholders of the Company by Postal Ballot on 7th March, 2006

Re: Increase in maximum ceiling on investment from 24% to 30% of the paid-up equity share capital of the Company by Foreign Institutional Investors

“RESOLVED that pursuant to the applicable provisions of the Foreign Exchange Management Act, 1999 and the regulations made thereunder and other prevailing laws, rules and regulations as applicable from time to time and subject to such consents, sanctions and permissions as may be required from the appropriate authorities, consent is hereby accorded for acquiring and holding Equity Shares of the Company by Foreign Institutional Investors including their sub-accounts upto an aggregate limit of 30% of the paid-up Equity Share Capital of the Company.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters, and things and execute all such documents, deeds and writings as may be required for the aforesaid purpose and which it may deem fit in the interest of the Company.”

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 52nd Annual General Meeting of the Company held on 7th August, 2006:-

ORDINARY RESOLUTION NO.6: Sub-Division of Equity Shares

"RESOLVED that pursuant to the provisions of Sections 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 and Article 15 of the Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions as may be necessary, the existing 6,00,00,000 (Six Crores) Equity Shares of Rs. 10/- (Rupees Ten) each be sub-divided into 60,00,00,000 (Sixty Crores) Equity Shares of Re. 1/- (Rupee One) each and consequently the Authorised Share Capital of the Company of Rs. 100,00,00,000 (Rupees One Hundred Crores) would comprise 60,00,00,000 (Sixty Crores) Equity Shares of the face value of Re. 1/- (Rupee One) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of the face value of Rs. 100/- (Rupees One Hundred) each and Clause V in the Memorandum of Association of the Company would be accordingly altered.

RESOLVED FURTHER that pursuant to the sub-division of the Equity Shares of the Company, the 3,30,88,474 (Three Crores Thirty Lakhs Eighty Eight Thousand Four Hundred Seventy Four) Issued, Subscribed and Called-up Equity Shares of the face value of Rs. 10/- (Rupees Ten) each, shall stand sub-divided into 33,08,84,740 (Thirty Three Crores Eight Lakhs Eighty Four Thousand Seven Hundred Forty) Equity Shares of the face value of Re. 1/- (Rupee One) each.

RESOLVED FURTHER that the Share Certificates in relation to such of the issued Equity Shares of the Company as are in physical form be cancelled and fresh certificates be issued in lieu thereof with regard to the sub-divided Equity Shares in accordance with the provisions of the Companies (Issue of Share Certificate) Rules, 1960 and in case of shareholders who hold the Equity Shares/opt to receive the sub-divided Equity Shares in dematerialized form, the sub-divided Equity Shares shall be credited to the respective beneficiary accounts of the shareholders with their respective Depository Participants and the Company shall take such corporate action as may be necessary in relation to the existing Equity Shares.

RESOLVED FURTHER that for the purpose of giving effect to this Resolution and for removal of any doubts or difficulties, the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee or any person which the Board may nominate/constitute to exercise its powers, including the powers conferred under this Resolution) be and is hereby authorised to do all acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, expedient, usual or proper to give effect to this Resolution and to settle any question or doubt that may arise in relation thereto or as the Board in its absolute discretion may think fit and its decision shall be final and binding on all the members."

SPECIAL RESOLUTION NO.7: Alteration in the Articles of Association arising from Sub-Division of Equity Shares

"RESOLVED that pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be altered by deleting the existing Article 5 and substituting in place thereof, the following as Article 5:

5. The Authorised Share Capital of the Company is Rs. 100,00,00,000 (Rupees One Hundred Crores) divided into 60,00,00,000 (Sixty Crores) Equity Shares of Re. 1/- (Rupee One) each and 40,00,000 (Forty Lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees One Hundred) each."

RESOLUTION

The following Ordinary Resolution was passed by the Shareholders of the Company by Postal Ballot on 10th March, 2009:-

Re: Authority to the Board of Directors of the Company to transfer the Chemicals Trading Business:

“RESOLVED that in accordance with the provisions of Section 192A, Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 and subject to such other consents, approvals or permissions as may be necessary, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee thereof) to transfer the Company’s Undertaking engaged in the Chemicals Trading business as a ‘going concern’ on a slump sale basis to DKSH India Private Limited, a wholly-owned subsidiary of DKSH Holding Limited, Zurich on such terms and conditions and with effect from such date and in such manner as the Board of Directors of the Company may think fit and proper.

RESOLVED FURTHER that the Board be and is hereby severally authorised to finalise the terms and conditions of the arrangement and execute all required documents, agreements and do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual or proper and in the best interest of the Company.”

RESOLUTIONS

The following Resolutions were passed by the Shareholders at the 55th Annual General Meeting of the Company held on 10th August, 2009

Special Resolution No.8: Commission to Non-Executive Directors

“RESOLVED that pursuant to the provisions of Section 309 and other applicable provisions, if any, of the Companies Act, 1956, commission not exceeding 1% (one per cent) per annum of the net profits of the Company, calculated in accordance with the provisions of the said Act, be paid to and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Executive Director/s) in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors of the Company and such payment shall be made out of the profits of the Company for each year, for a period of five financial years commencing from 1st April, 2010.”

Special Resolution No.9: Place of keeping and inspection of Registers and Returns

“RESOLVED that in supersession of Resolution No.7 passed at the Fifty-First Annual General Meeting of the Company held on 29th August, 2005 and pursuant to sub-section (1) of Section 163 and other applicable provisions, if any, of the Companies Act, 1956 (the ‘Act’), the Company hereby approves that the Registers and Indexes of Members and Debentureholders and copies of all Annual Returns prepared under Section 159 of the Act, together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act or any one or more of them, be kept at the Registered Office of the Company at Voltas House ‘A’, Dr. Babasaheb Ambedkar Road, Chinchpokli, Mumbai – 400 033 and/or such other office building within the premises of the Company at Chinchpokli and/or at TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011 and/or at their office premises at Pooja Apartments, Ground Floor, Near Vitrum Glass Factory, L.B.S. Road, Vikhroli (West), Mumbai – 400 079 and/or at Kothari Compound, Near Tikujini Wadi, Chitalsar, Manpada, Thane (West) 400 607.

RESOLVED FURTHER that the Registers, Indexes, Returns, Books, Certificates and Documents of the Company, required to be maintained and kept open for inspection under the provisions of the Act, be kept open for such inspection, at the place where they are kept, by the persons entitled thereto, to the extent, in the manner and on payment of the fees, if any, specified in the Act, between the hours of 10.30 a.m. and 12.30 p.m. on any working day except when the Registers and Books are closed under the provisions of the Act or the Articles of Association of the Company provided, however, that the Register required to be maintained under Section 307 of the Act, shall be open for inspection of the Members and of the holders of the Debentures of the Company, as aforesaid between the hours abovementioned during the period prescribed by sub-section (5) of the aforesaid Section.”

RESOLUTIONS

The following Resolution was passed by the shareholders at the 53rd Annual General Meeting of the Company held on 6th August, 2007:

ORDINARY RESOLUTION NO. 6 – Revision in the terms of remuneration of
Mr. A. Soni, Managing Director

“RESOLVED that in partial modification of Special Resolution No.6 passed at the Fifty-First Annual General Meeting of the Company held on 29th August, 2005 and in accordance with the provisions of Sections 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 (the Act), read with Schedule XIII of the Act, the Company hereby approves of the revision in the remuneration payable to Mr. A. Soni, Managing Director of the Company (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with effect from 1st April, 2007 for the remainder of the tenure of his contract upto 22nd April, 2010, as set out in the Explanatory Statement annexed to the Notice convening this Meeting.

RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

The following Resolution was passed by the shareholders at the 56th Annual General Meeting of the Company held on 16th August, 2010:

ORDINARY RESOLUTION NO. 8 – Appointment and remuneration of Mr. Sanjay Johri
as the Managing Director

“RESOLVED that pursuant to the provisions of Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 (‘the Act’), read with Schedule XIII to the Act, including any statutory modification or re-enactment thereof, the Company hereby approves the appointment and terms of remuneration of Mr. Sanjay Johri as the Managing Director of the Company for a period of five years with effect from 23rd April, 2010, on the terms and conditions, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr. Sanjay Johri.

RESOLVED FURTHER that the Board of Directors be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

RESOLUTIONS

The following Resolution was passed by the shareholders at the 60th Annual General Meeting of the Company held on 1st September, 2014:

SPECIAL RESOLUTION NO. 10 - Authority to the Board for creation of charges

“RESOLVED that in supersession of the Ordinary Resolution No.8 passed at the Fifty-First Annual General Meeting of the Company held on 29th August, 2005 and pursuant to Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance companies, other lending/investing agencies or bodies / trustees for holders of debentures / bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance companies, other lending / investing agencies, or any other person(s) / bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as “Lenders”) to secure rupee / foreign currency loans, debentures / bonds and / or such other borrowings (hereinafter collectively referred to as “Loans”) provided that the total amount of Loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said Loans, shall not, at any time exceed the limit of ₹ 500 crores (Rupees Five hundred crores only).

RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and / or any member of such Committee with power to the said Committee to sub-delegate its powers to any of its members, to give effect to the above Resolution.”

RESOLUTION

The following Resolution was passed by the shareholders at the 61st Annual General Meeting of the Company held on 3rd August, 2015:

ORDINARY RESOLUTION NO. 7 – Re-appointment of Mr. Sanjay Johri as the Managing Director

“RESOLVED that pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 (‘the Act’) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act, including any statutory modifications, re-enactments thereof, the Company hereby approves the re-appointment and terms of remuneration of Mr. Sanjay Johri as the Managing Director of the Company for a period between 23rd April, 2015 and 9th February, 2018, on the terms and conditions, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year, as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr. Sanjay Johri.

RESOLVED FURTHER that the Board of Directors be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

RESOLUTION

The following Resolution was passed by the shareholders at the 64th Annual General Meeting of the Company held on 27th August, 2018

Ordinary Resolution No.6: Appointment of Mr. Pradeep Bakshi as Managing Director & CEO

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), including any statutory modification or re-enactment thereof for the time being in force, read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the Company hereby approves the appointment and terms of remuneration of Mr. Pradeep Bakshi (DIN: 02940277), as the Executive Director of the Company for a period of three years with effect from 1st September, 2017 and subsequently, as the Managing Director & CEO of the Company with effect from 10th February, 2018 for the remainder period, upto 31st August, 2020, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment), with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Pradeep Bakshi.

RESOLVED FURTHER that the Board of Directors of the Company (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

RESOLUTION

The following Resolution was passed by the shareholders at the 65th Annual General Meeting of the Company held on 9th August, 2019

Ordinary Resolution No.10: Revision in terms of remuneration of Mr. Pradeep Bakshi, Managing Director & CEO

“RESOLVED that in partial modification of resolution No.6 passed at the 64th Annual General Meeting of the Company held on 27th August, 2018 for the appointment and terms of remuneration of Mr. Pradeep Bakshi (DIN: 02940277) as Managing Director & CEO of the Company and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), including any statutory modification(s) or re-enactment(s) thereof for the time being in force read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, consent of the Company be and is hereby accorded to the revision in the terms of remuneration of Mr. Pradeep Bakshi, Managing Director & CEO of the Company with effect from 1st April, 2019 for the remainder of the tenure of his contract, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER that the Board of Directors of the Company be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”

RESOLUTION

The following Resolution was passed by the shareholders at the 66th Annual General Meeting of the Company held on 21st August, 2020

Ordinary Resolution No.6: Re-appointment of Mr. Pradeep Kumar Bakshi as the Managing Director and Chief Executive Officer

“RESOLVED that pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Schedule V of the Act (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the consent of the Company be and is hereby accorded for the re-appointment and terms and conditions including remuneration of Mr. Pradeep Kumar Bakshi (DIN: 02940277) as the Managing Director and Chief Executive Officer of the Company for a period of five years with effect from 1st September, 2020, liable to retire by rotation, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice convening this Meeting (including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure), with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as may be agreed to between the Directors Board and Mr. Pradeep Kumar Bakshi.

RESOLVED FURTHER that the Board of Directors of the Company (the ‘Board’ which term includes a Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution.”
