

**MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF  
SANDHAR TECHNOLOGIES LIMITED**

**CERTIFIED TO BE TRUE  
For Sandhar Technologies Limited**



**Yashpal Jain  
Chief Financial Officer & Company Secretary  
M. No. A13981**



**GOVERNMENT OF INDIA  
MINISTRY OF CORPORATE AFFAIRS**

Registrar of Companies, Delhi

4th Floor, IFCI Tower, 61, Nehru Place, New Delhi, Delhi, INDIA, 110019

Corporate Identity Number : U74999DL1987PLC029553.

**SECTION 13(1) OF THE COMPANIES ACT, 2013**

**Certificate of Registration of the Special Resolution Confirming Alteration of Object Clause(s)**

The share holders of M/s SANDHAR TECHNOLOGIES LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 08/08/2015 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

I hereby certify that the said Special Resolution together with the copy of the Memorandum of Association as altered has this day been registered.

Given under my hand at Delhi this Seventh day of October Two Thousand Fifteen.

Validity unknown  
Digitally signed by  
Ministry of Corporate  
Affairs, Govt of India  
Date: 2015.10.07  
14:33:47 GMT+05:30

**ANJALI POKHRIYAL**  
Assistant Registrar of Companies  
Registrar of Companies  
Delhi

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

SANDHAR TECHNOLOGIES LIMITED  
C-101 A, Ansal Plaza, HUDCO Place, Khelgaon Marg,  
New Delhi - 110049,  
Delhi, INDIA



**Pursuant to listing of the Company on BSE Limited and  
National Stock Exchange Limited on 02nd April, 2018  
the CIN of the Company has been changed from  
U74999DL1987PLC029553 to L74999DL1987PLC029553**



THE UNIVERSITY OF CHICAGO

DEPARTMENT OF CHEMISTRY

LABORATORY OF ORGANIC CHEMISTRY

REPORT OF THE RESEARCH WORK OF

DR. ROBERT M. HARRIS, JR., DURING THE YEAR 1954

BY DR. ROBERT M. HARRIS, JR.

Submitted to the Department of Chemistry in partial fulfillment of the requirements for the degree of Doctor of Philosophy

CHICAGO, ILLINOIS  
1955

THE UNIVERSITY OF CHICAGO PRESS

CHICAGO, ILLINOIS 60637



THE UNIVERSITY OF CHICAGO  
DEPARTMENT OF CHEMISTRY  
LABORATORY OF ORGANIC CHEMISTRY  
CHICAGO, ILLINOIS 60637

**COMPANY NO. 55-29553 CIN U34360DL1987PLC29553**

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

**In the Office of the Registrar of Companies, NCT of Delhi  
& Haryana [under the Companies Act, 1956 (1 of 1956)]**

**In the matter of M/s SANDHAR LOCKING DEVICES LTD.**

**I hereby certify that SANDHAR LOCKING DEVICES LTD.**

**Which was originally incorporated on Ninteenth October of one thousand nine  
hundred and eighty seven  
under the Company Act, 1956 (Act 1 of 1956) under the name**

**SANDHAR LOCKING DEVICES PRIVATE LIMITED**

**having duly passed the necessary resolution in terms of Section 21  
of the Companies Act, 1956 and the approval of the Central Government  
signified in writing having been accorded thereto under Section 21  
read with Government of India, Departmet of Company Affairs, Notification  
No. G.S.R. 507 (E) dated 24-06-1985 by Registrar of Companies,  
NCT of Delhi & Haryana, New Delhi vide letter No. ROC/21/55-29553/1008  
dated 26/10/2005 the name of the said company is this day changed to**

**SANDHAR TECHNOLOGIES LIMITED**

**and this Certificate is issued pursuant to Section 23 (I) of the said Act.**

**Given under My hand at New Delhi this Eleventh November of Two Thousand and  
Five.**



*(Dr. Navrang Saini)*

**REGISTRAR OF COMPANIES  
N.C.T. OF DELHI AND HARYANA**

**Pursuant to listing of the Company on BSE Limited and  
National Stock Exchange Limited on 02nd April, 2018  
the CIN of the Company has been changed from  
U74999DL1987PLC029553 to L74999DL1987PLC029553**

THE UNIVERSITY OF CHICAGO  
LIBRARY  
540 EAST 57TH STREET  
CHICAGO, ILL. 60637

THE UNIVERSITY OF CHICAGO  
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THE UNIVERSITY OF CHICAGO  
LIBRARY

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

**CONVERSION TO PUBLIC LIMITED COMPANY**

**COMPANY NO. 55-29553**

**In the Office of the Registrar of Companies, Delhi & Haryana,  
(Under the Companies Act, 1956 (1 of 1956))**

**IN THE MATTER OF M/s SANDHAR LOCKING DEVICES PRIVATE LIMITED**  
.....

**I hereby certify that SANDHAR LOCKING DEVICES PRIVATE LIMITED  
Private Limited, which was originally incorporated on NINETEENTH day of OCTOBER  
Nineteen Hundred and EIGHTY SEVEN under the Companies Act, 1956 (Act. 1 of 1956)  
under the name SANDHAR LOCKING DEVICES PRIVATE LIMITED having duly passed  
the necessary Special Resolution on 15.9.92 in terms of section 31/21  
read with section 44 of the Companies Act, 1956 the name of the said Company is  
this day changed to SANDHAR LOCKING DEVICES LIMITED and this Certificate  
is issued pursuant to section 23 (1) of the said Act.**

**Given under my hand at NEW DELHI this 21st day of SEPTEMBER  
(One Thousand Nine Hundred and Ninety TWO)**

**Seal**

**S/d  
(V.S. GALGALI)  
REGISTRAR OF COMPANIES  
DELHI & HARYANA**

**Pursuant to listing of the Company on BSE Limited and  
National Stock Exchange Limited on 02nd April, 2018  
the CIN of the Company has been changed from  
U74999DL1987PLC029553 to L74999DL1987PLC029553**

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

CHICAGO, ILLINOIS

1950

TO THE PHYSICS DEPARTMENT

FROM THE PHYSICS DEPARTMENT

CHICAGO, ILLINOIS

1950

TO THE PHYSICS DEPARTMENT

FROM THE PHYSICS DEPARTMENT

CHICAGO, ILLINOIS

1950

TO THE PHYSICS DEPARTMENT

FROM THE PHYSICS DEPARTMENT

CHICAGO, ILLINOIS

1950

TO THE PHYSICS DEPARTMENT



प्रारूप ० आई० आर०

FORM 1. R.

निगमन का प्रमाण पत्र

### Certificate of Incorporation

सं. 29553.....राज 1909

No. 29553..... of .....1987-88

मैं एतद् द्वारा प्रमाणित करता हूँ कि आज.....सन्धार लॉकिंग डिवाइसेज प्राइवेट लिमिटेड.....

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन निगमित की गई है और यह कम्पनी परिचीमित है।

I hereby certify that.....**SANDHAR LOCKING DIVICES PRIVATE LIMITED**.....

is this day incorporated under the Companies Act., 1956 (No. 1 of 1956) and that the Company is limited.

मेरे हस्ताक्षर से आज ता० .....27 अक्टूबर, 1909..... को दिया गया।

Given under my hand at....**NEW DELHI**.....this.....**NINETEENTH**.....  
day of .....**OCTOBER**.....One thousand nine hundred and.....**EIGHTY SEVEN**.

SEAL

Sd/

( बी० भवानी शंकर )

कम्पनी रजिस्ट्रार

(B. BHAVANI SHANKAR)

Registrar of Companies

DELHI & HARYANA

National Stock Exchange Limited on 02nd April, 2018  
the CIN of the Company has been changed from  
U74999DL1987PLC029553 to L74999DL1987PLC029553

THE UNIVERSITY OF CHICAGO



THE UNIVERSITY OF CHICAGO  
CHICAGO, ILL.

1911

THE UNIVERSITY OF CHICAGO PRESS

THE UNIVERSITY OF CHICAGO PRESS  
CHICAGO, ILL.

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CHICAGO, ILL.

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CHICAGO, ILL.

THE

UNIVERSITY OF CHICAGO

CHICAGO, ILL.

1911

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CHICAGO, ILL.

THE UNIVERSITY OF CHICAGO PRESS  
CHICAGO, ILL.

**(THE COMPANIES ACT, 1956)**  
**(THE COMPANY LIMITED BY SHARES)**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**SANDHAR TECHNOLOGIES LIMITED**

- I. The Name of the Company is "**SANDHAR TECHNOLOGIES LIMITED**"
- II. The Registered Office of the Company will be situated in the National Capital Territory of Delhi.
- III. The objects for which the Company is established are:-
  - (A) **THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :-**
    1. To carry on the business of manufacturers, assembling of various Locking Devices, Electrical, Electronics, Mechanical, Automobile and Industrial parts and dealers in, hirers repairers, cleaners, storers and warehousers of all kinds of components, spare parts and accessories related to the above.
    2. To carry on the business of garage keepers, motor parts dealers and suppliers of and dealers in petrol, oil, greases, lubricants, gas and to supply motive/electric and other power for motor and other things connected therewith.
    3. To carry on the business of automobile engineers, electrical engineers, mechanical engineers, machinists, fitters, millwright's founders, assemblers, wire drawers, tube makers, metallurgists, saddlers, galvanizers, japanners, annealers, enamellers, electroplaters and painters and all kinds of components and other things required for the aforesaid business.
    4. To carry on the business of manufacturing, buying, selling, reselling, subcontracting, exchanging, hiring, altering importing, exporting, improving assembling, distributing, servicing, repairing and dealing in as original equipment manufacturers as also on a jobbing industry basis and in any other capacity all and very kind of machineries, component parts, replacement parts, spare parts, accessories, tools, implements and fittings of all kinds inclusive of all types of axles, and all relevant axle assembly, components, parts and accessories, propeller shafts and universal joints, ornamentation and decorative parts for motors, vehicles, trucks, tractors, motor-lorries, motor-cycles, motors, cycle-cars, cycles, scooters, buses, omnibuses, locomotives, ships engines, wagons, boats, barges, launches and other vehicles and products of all descriptions whether propelled or used by means of petrol, spirit, steam, oil vapour, gas, coal, electricity, petroleum, atoms or any other motive or mechanical power, in India or elsewhere; and to carry on any other business manufacturing or otherwise, which is connected to the above.
    5. To manufacture, construct, fabricate, assemble, sell, purchase, hire, let on hire, import, export, service, alter, repair, and deal in all kinds of vehicles including, but not limited to, motor cars, trucks, lorries, tractors, rail wagons, and all other vehicles used for the transport or conveyance of passengers, merchandise and goods of every description or used for any other purpose and whether used on road, underground, in air, space or water as also in plant, machinery, equipment, accessories, spare parts, component parts, appliances, tools and apparatus necessary or useful for or in connection with all kinds of vehicles.

6. i) To carry on the business of Consulting, Design, Engineering, Installation, Commissioning, Maintenance of Solar Power Plants.
- ii) To carry on the business of manufacturing, selling, trading, importing, and exporting of components for solar power plants and solar products.
- iii) To carry on the business of design, development, production, marketing, sales, distribution, trading, import, export of Renewable Energy products/ systems.

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

1. To buy, sell, acquire and deal in all machinery, implements, utensils, appliances, apparatus, cements, solutions, enamels and the things capable of being used for, in, or in connection with the manufacture maintenance and working of motor and other things or in the construction of any track or surface adopted for the use thereof.
2. To purchase, take on lease or exchange, hire or otherwise acquire any real and personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business or may enhance the value of any other property of the Company and in particular any land, building, easements, machinery, plant, stock-in-trade, business concern, options, contracts, claims, choses-in-action and other rights and privileges.
3. To build, construct, alter, maintain, enlarge, pull down, remove or replace, and to work manage and control any buildings, offices, factories, mills, shops, machinery, engines, roads, ways, electric and other works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company and to join with any person or Company in doing any of these things.
4. to apply for obtain, purchase or otherwise acquire and protect, prolong and renew any patents, patent rights, brevets d'invention, processes, trade secrets, scientific, technical or other assistance, manufacturing process, know-how and other information, designs, patterns, copyrights, trademarks, licenses, concessions and like rights or the benefit or right of use thereof, which may seem capable of being used for or in connection with any of the purposes of the Company on payment of any fee, royalty or other consideration and to use, exercise or develop the same and manufacture under or grant licenses in respect thereof or sell or otherwise deal with the same.
5. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights, assets and liabilities of any person, firm or company carrying on any business which the Company is authorized to carry on or possessed of property or rights suitable for any of the purposes of the company, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
6. To establish, provide, maintain and conduct or otherwise subsidize research laboratories and experimental workshops or scientific and technical research and experiments and to undertake and carry on with all scientific and technical researches, experiments and tests of all kinds and to promote studies and research, both scientific and technical investigation and invention by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures meetings and conferences and generally to encourage, promote and reward studies, research, investigation, experiments, tests and invention of any kind that may be considered likely to assist any of the business which the Company is authorized to carry on and to spend money in experiment and test and in improving or seeking to improve and giving publicity to and placing upon the market any products of the Company or distribute any patents, inventions, processes, information or rights which the Company may acquire or lease or propose to acquire.

7. Subject to Section 391 to 394 to the Act, to amalgamate, enter into partnership or any arrangement or agreement with any government or company or any of them for sharing profits, union of interests, exchange of shares, joint adventure, reciprocal concession or co-operation and engage in any business or transaction capable of being carried on by the Company, and to obtain from such government, authority, person or Company, any rights privileges, charters, contracts, licenses and concessions which the Company may think it desirable to obtain and to carry out, exercise and to comply therewith.
8. To improve, manage, develop, grant rights or privileges in respect of or otherwise deal with all or any part of the property and rights of the Company.
9. To subscribe for, take or otherwise acquire and hold shares, stocks, debentures or other interest in or securities of any other company or companies having objects altogether or in part similar to those of the Company or carrying on any business capable of being carried on so as directly or indirectly to benefit the Company.
10. To invest in other than investment in Company's own shares and deal with the money of the Company not immediately required in such manner as may from time to time expedient or be determined.
11. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient, and in particular to customers and other having dealing with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies, and generally to give guarantees and indemnities; provided that the Company shall not carry on any business which may come within the preview of the Banking Regulation Act 1949 or the Insurance Act.
12. To invest in other than investment in Company's own shares money with or without security and generally make advances of such sum or sums of money upon or in respect of or for the purchase of raw materials, goods, machinery, stores, or any other property articles and things required for the purpose of the Company with or without security and upon such terms and subject to such conditions as the Company may deem expedient.
13. Subject to Sections 58A & 292 of the Act and Rules made there-under to receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage or charge or lien upon all or any of the property or assets of the company (both present and future), including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company or any person or Company as the case may be.
14. To mortgage, hypothecate, pledge all or any of the property whether movable or immovable of any description and other valuable securities of the Company.
15. To draw, make, accept, endorse, discount, execute, issue, negotiate, assign cheque, drafts, promissory note, bills of exchange, hundies, debentures, bonds, bill of lading, railway receipt, warranties and all other negotiable or transferable instruments.
16. To open and account or accounts with any individual, firm or company or with any Bank or Banks or Bankers or shroffs and to pay into and to withdraw money from such account or accounts.

17. To pay out of any funds of the Company all costs, charges and expenses of and incidental to the formation and registration of the company; and Company promoted by the Company and the issue of the capital of the company and any such other company and of any incidental to the negotiations between the promoters preliminary to the formation of the Company and other pre-incorporation of preliminary and other expenses and also all costs, charges, impositions and expenses of and incidental to the acquisition by the Company of any property or assets and incidental to the accomplishment of all or any formalities which the Company may think necessary or proper in connection with any of the aforesaid.
18. To pay for any property or rights acquired by, or for any services rendered to the Company either in cash or fully or partly paid up shares with or without preferred rights in respect of dividend or repayment of capital or by any securities and debentures, which the Company has power to issue or by the grant of any rights, or options partly in one mode and partly in another and generally on such terms as the Company may determine.
19. To promote, form and register, and aid in the promotion, formation and registration of any company or companies, subsidiary or otherwise for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose which may seem directly or indirectly calculated to benefit the Company, and to transfer to any such company any property of the Company and to be interested in or take or otherwise acquire, hold sell or otherwise dispose of shares, stocks, debentures and other securities in or of any such company as any other company for all or any of the object mentioned in the Memorandum, and to subsidize or otherwise assist any such company and to undertake the management and secretarial or other works, duties and business of any such company on such terms as may be arranged.
20. To apply for, aid in promoting and obtain any act of Parliament, charter, privilege, concession, license or authorization of any Government, state or municipality provisional order or license of any authority for enabling the Company to carry any of its objects or for extending any of the powers or for effecting any modifications of this constitution of the Company or for any other purpose which may seem expedient and to oppose any proceeding or applications which may seem calculated directly or indirectly to prejudice the interest of the Company.
21. To grant pensions, allowances, gratuities and bonuses to existing or former employees and officers (including Directors) of the Company or their dependents or connections, and to make payments towards insurance for any such purpose, and to establish, join and support trust, funds or schemes (whether contributory or non contributory) with a view to provide pensions, or allowances for any such persons or any other associations, institutions, trust, funds, schemes, clubs and convenience calculated to benefit such person.
22. To make donation to such person or persons either of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and to subscribe, contribute, or otherwise assist or guarantee money for charitable, scientific, religious benevolent, national, public or other institutions or for any exhibition or for any public, general or other object and to establish and support or aid in the establishment and support of associations, institutions, funds, trusts and convenience for the benefit of the employees or of persons having dealings with the company or the dependents, relatives or connections of such persons, allowances, gratuities and bonuses either by way of annual payment or a lump sum and to make payment towards insurance and to form and contribute to provident and benefit funds of or for such persons.
23. To provide for the welfare of employees or ex-employees of the Company and the wives and families of the dependents or connections of such persons by building or contributing to the pensions, allowances, bonus or other payment or by creating, and from time, subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit.

24. To compensate for loss of office any Managing Director or Directors or other officers of the Company within the limitations prescribed under the Companies Act or other statute or rule having the forces of law and to make payment to any person whose office, employments or duties may be determined by virtue of any transaction in which the Company is engaged.
25. To create any reserve funds sinking fund, insurance fund or any other special funds whether for depreciation, for repairing, improving, extending or maintaining any of the property of the Company or for any other purpose conducive to the interest of the Company or for any purpose.
26. Subject to the provisions contained in Section 205 of the Companies Act, 1956 to distribute as dividend or bonus among the members or to place to reserve otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures, issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares, any moneys arising from the sale by the Company of forfeited shares.
27. To distribute among the members, in specie any property of the Company, or any proceeds of sale or disposal of any property of the Company, 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.
28. To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company having objects altogether or in a part similar to those of this company.
29. To vest any real personal property, rights or interest acquired by or belonging to the Company in any person or company on behalf of or for the benefit of the Company and with or without any declared trusts in favour of the Company.
30. To do all any of the above things and such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them in any part of the world and as principals, agents, contractors, trustees, or otherwise and by or through trustees, agents, or otherwise; and either alone or in conjunction with others.
31. Subject to Section 391 to 394 to the Companies Act 1956 to amalgamate with any other company in any manner whatsoever (whether with or without liquidation of the Company).

**(C) OTHER OBJECTS**

1. To acquire and hold shares, stocks, debentures, debenture stock, bonds obligations, securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debentures stock, bonds, obligations and securities issued or guaranteed by any Government, municipality, public body or other local authority and such shares, debentures, debenture stock, bonds, obligations or securities to acquire by original subscription, tender purchase, exchange, or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof any such shares, debentures, debentures stock, bonds, obligations or securities to sell or otherwise dispose of.
2. To carry on the business of commission agents, contracts, subcontractors, factors, general merchants and dealers in every description of goods, wares and merchandise, exporters and importers, concessionaires, general storekeepers, whole-sale and retail traders carriers forwarding contractors agents, and warehousemen, designers, brokers, representatives for any person, firm or company and to undertake and perform subcontracts and to all or any of the above things in any part of the world either alone or jointly with others and either by or through agents, sub-agents, trustees or otherwise.
3. To carry on the business of developing and hosting dedicated portals on various subjects whether interactive or otherwise in India and abroad and to develop and trade on electronic commerce, multimedia, web page and designing, internet and to provide and seek platform for inter-linked and

hyper-linked activities mutually beneficial to the web linked provider and to provide gamut of electronic solutions, modules, support network, system support and development whether for telecommunication or computer software and hardware and other related activities and to carry on the said activities through telecom, cable, satellite network, wireless technology, digital technology or through cellular, modems and to deal in products of related services including setting up of call centers /stations, voice messaging, video conferencing, Internet and computer telephony integration and networking and to provide total business solutions whether integrated or on piece meal basis or other-wise and to become an internet service provider and provide consultancy service, application solutions, technologies and communication products.

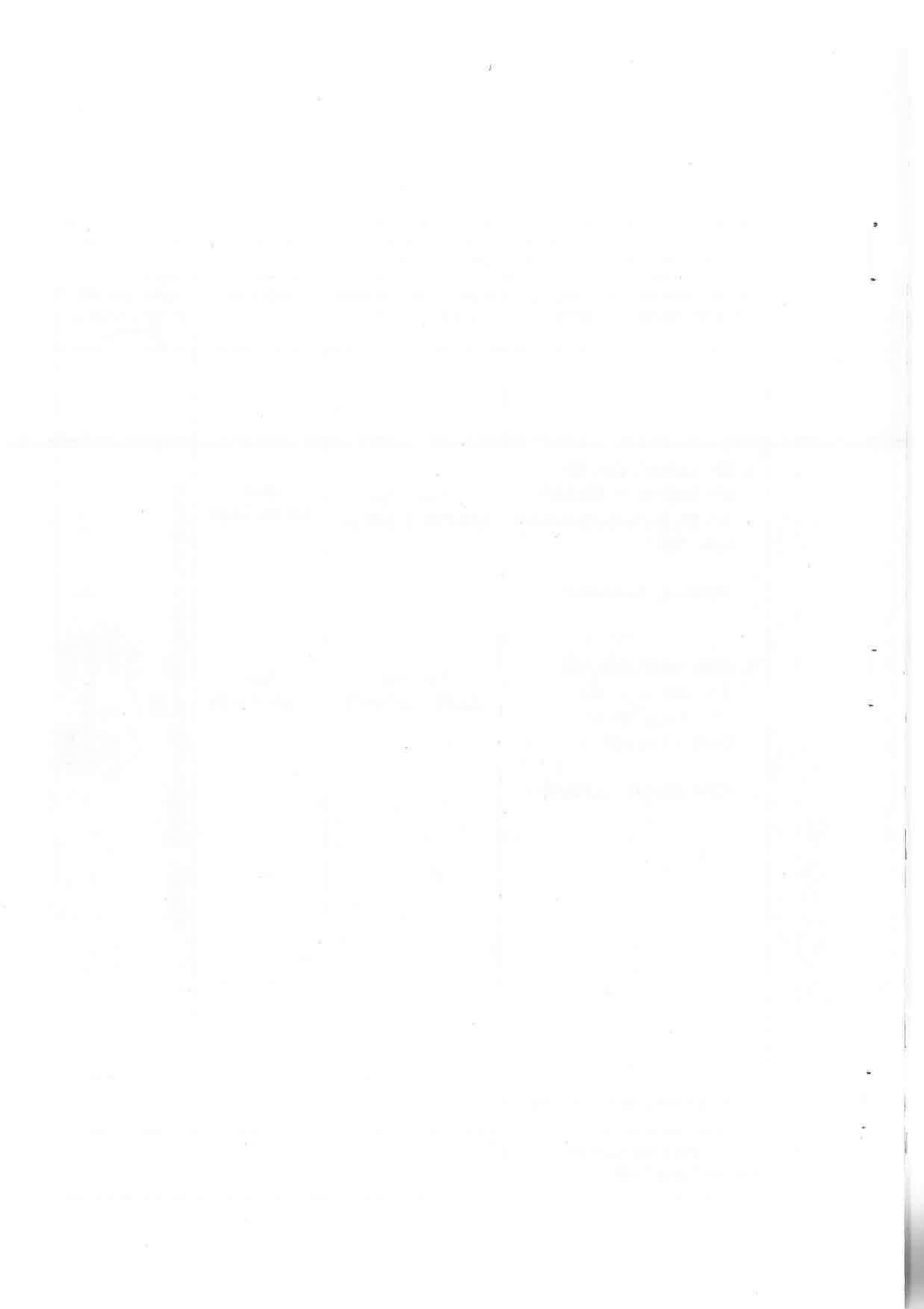
4. To carry on the business of advertisement, publication, print media or mass communication and any other activities or services relating thereto including entertainment in electronic and other forms and manner commercially prevalent.
  5. To carry on the business of assembly or manufacture of computers, peripherals, accessories, components and also equipment and hardware relating to communications and telecommunications, satellite station and connectivity installations and also trading or commerce therein.
  6. To float, create and/or set up subsidiary ventures and/or otherwise make investments in information technology related ventures in India or abroad.
- IV. The liability of the members is limited.
- V. The Authorised Share Capital of the Company is INR 80,00,00,000/- (Indian Rupees Eighty Crores only) divided into 7,80,00,000 (Seven Crores and Eighty Lakhs only) Equity Shares of INR 10/- (Indian Rupees Ten only) each and 2,00,000 (Two Lakhs only) Preference shares of INR 100/- (Indian Rupees Hundred only) each.

**Note;**

1. The Authorised Share Capital of the Company has increased from INR 70,00,00,000 /- (Indian Rupees Seventy Crores Only) divided into 6,80,00,000 (Six Crores and Eighty Lakhs only) Equity Shares of INR 10/- each and 2,00,000 (Two Lakhs only) Preference Shares of INR 100 /- (Indian Rupees Hundred Only) each to INR 80,00,00,000 /- (Indian Rupees Eighty Crores only) divided into 7,80,00,000 (Seven Crores and Eighty Lakhs only) Equity Shares of INR 10/- (Indian Rupees Ten Only) each and 2,00,000 (Two Lakhs only) Preference Shares of INR 100 /- (Indian Rupees Hundred Only) each at the Annual General Meeting of the Company held on 19th September, 2025.

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

| Names, addresses, occupations and description of subscribers                                                                        | Number of Shares taken by each subscriber | Signature                    | Name, address and description of witness                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. Mr. JAYANT DAVAR</b><br/>S/o SHRI D. N. DAVAR<br/>B-5/82, Safdarjung enclave<br/>New Delhi</p> <p>(Business Executive)</p> | <p>Ten (10)<br/>EQUITY SHARES</p>         | <p>Sd/-<br/>Jayant Davar</p> | <p>I hereby witness the Signatures of all the Subscribers</p> <p>Sd/-<br/>(P. K. TALUJA)<br/>S/o Sh. J. C. Taluja<br/>170, Anand Vihar<br/>Delhi - 110034</p> |
| <p><b>2. SHRI YASH PAL VIJ</b><br/>S/o SHRI C. L. VIJ<br/>2/95, Roop Nagar<br/>Delhi – 110 007</p> <p>(Chartered Accountant)</p>    | <p>Ten (10)<br/>EQUITY SHARES</p>         | <p>Sd/-<br/>Yash Pal Vij</p> |                                                                                                                                                               |
| <p>Total Shares taken : Twenty (20)</p>                                                                                             |                                           |                              |                                                                                                                                                               |
| <p>Dated: the 24th September, 1987<br/>Place : New Delhi</p>                                                                        |                                           |                              |                                                                                                                                                               |



**THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013**  
**COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**SANDHAR TECHNOLOGIES LIMITED**

The Articles of Association of Sandhar Technologies Limited (the "Company") comprise of two parts, Part I and Part II, which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency between Part I and Part II, the provisions of Part II shall be applicable, however, Part II shall automatically terminate and cease to have any force and effect from the date of listing of shares of the Company on a stock exchange in India subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the shareholders.

**PART-I**

**CONSTITUTION OF THE COMPANY**

- (a) The Regulations contained in Table 'F' of Schedule I to the Companies Act, 2013 shall apply only in so far as the same are not inconsistent with these Articles.
- (b) The Regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by Special Resolution as prescribed by the Companies Act, 2013.

**1. DEFINITIONS**

In the interpretation of these Articles, the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- (a) **"Act"** and any reference to any Section or provision thereof respectively means and includes the Companies Act, 2013 including any statutory amendments thereto, and the Rules made thereunder, and notified from time to time.
- (b) **"ADRs"** shall mean American Depository Receipts representing ADSs.
- (c) **"Annual General Meeting"** shall mean a General Meeting of the holders of Equity Shares held in accordance with the applicable provisions of the Act;
- (d) **"ADSs"** shall mean American Depository Shares, each of which represents a certain number of Equity Shares.
- (e) **"Articles"** shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and the Act.
- (f) **"Auditors"** shall mean and include those persons appointed as such for the time being by the Company.
- (g) **"Board"** shall mean the Board of Directors of the Company, as constituted from time to time, in accordance with Law and the provisions of these Articles.
- (h) **"Board Meeting"** shall mean any meeting of the Board, as convened from time to time and any adjournment thereof, in accordance with Law and the provisions of these Articles.
- (i) **"Beneficial Owner"** shall mean Beneficial Owner as defined in Clause (a) of Sub-Section (1) of Section 2 of the Depositories Act.

- (j) **"Capital" or "Share Capital"** shall mean the share capital for the time being, raised or authorised to be raised, for the purposes of the Company.
- (k) **"Chairman"** shall mean such person as is nominated or appointed in accordance with Article 30 herein below.
- (l) **"Chief Executive Officer"** means an officer of the Company, who has been designated as such by it;
- (m) **"Chief Financial Officer"** means a person appointed as the Chief Financial Officer of the Company;
- (n) **"Companies Act, 1956"** means the Companies Act, 1956 (Act I of 1956), as may be in force for the time being;
- (o) **"Chief Operating Officer"** means the chief operating officer of the Company providing timely operational information and assistance to the CEO, or any Person of whatsoever designation performing the functions of a chief operating officer;
- (p) **"Company" or "this Company"** shall mean **SANDHAR TECHNOLOGIES LIMITED**.
- (q) **"Debenture"** shall include debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
- (r) **"Depositories Act"** shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof.
- (s) **"Depository"** shall mean a Depository as defined in Clause (e) of Sub-Section (1) of Section 2 of the Depositories Act.
- (t) **"Director"** shall mean any Director of the Company, including Alternate Directors, Independent Directors and Nominee Directors appointed in accordance with Law and the provisions of these Articles.
- (u) **"Dividend"** shall include Interim Dividends.
- (v) **"Employees' Stock Option"** means the option given to the Directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- (w) **"E-voting"** shall mean voting by electronic means as laid out in Article 36 herein;
- (x) **"Equity Share Capital"** shall mean the total issued and paid-up equity share capital of the Company, calculated on a Fully Diluted Basis.
- (y) **"Equity Shares"** shall mean fully paid-up equity shares of the Company having a par value of INR 10 (Rupees ten) per equity share, and 1 (one) vote per equity share or any other issued Share Capital of the Company that is reclassified, reorganized, reconstituted or converted into Equity Shares.
- (z) **"Executor" or "Administrator"** shall mean a person who has obtained probate or letters of administration, as the case may be, from a court of competent jurisdiction and shall include the holder of a succession certificate authorizing the holder thereof to negotiate or transfer the Equity Share or Equity Shares of the deceased Shareholder and shall also include the holder of a certificate granted by the Administrator-General appointed under the Administrator Generals Act, 1963.
- (aa) **"Extraordinary General Meeting"** shall mean an Extraordinary General Meeting of the holders of Equity Shares duly called and constituted in accordance with the Act;

- (bb) **"Financial Year"** shall mean any fiscal year of the Company, beginning on April 1 of each calendar year and ending on March 31 of the following calendar year.
- (cc) **"Fully Diluted Basis"** shall mean, in reference to any calculation, that the calculation should be made in relation to the equity share capital of any Person, assuming that all outstanding convertible preference shares or debentures, options, warrants and other equity securities convertible into or exercisable or exchangeable for equity shares of that Person (whether or not by their terms then currently convertible, exercisable or exchangeable), have been so converted, exercised or exchanged to the maximum number of equity shares possible under the terms thereof.
- (dd) **"GDRs"** shall mean the registered Global Depositary Receipts, representing GDSs.
- (ee) **"GDSs"** shall mean the Global Depositary Shares, each of which represents a certain number of Equity Shares.
- (ff) **"General Meeting"** shall mean a meeting of holders of Equity Shares and any adjournment thereof.
- (gg) **"Independent Director"** shall mean an Independent Director as defined under the Act and under clause 49 of the equity listing agreement.
- (hh) **"India"** shall mean the Republic of India.
- (ii) **"Law"** shall mean all applicable provisions of all (i) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, circulars, ordinances or orders of any governmental authority and SEBI, (ii) governmental approvals, (iii) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any governmental authority, (iv) rules of any stock exchanges, (v) international treaties, conventions and protocols, and (vi) Indian GAAP or any other generally accepted accounting principles.
- (jj) **"Managing Director"** shall have the meaning assigned to it under the Act.
- (kk) **"MCA"** shall mean the Ministry of Corporate Affairs, Government of India;
- (ll) **"Memorandum"** shall mean the Memorandum of Association of the Company, as amended from time to time.
- (mm) **"Office"** shall mean the Registered Office for the time being of the Company.
- (nn) **"Officer"** shall have the meaning assigned thereto by Section 2(59) of the Act.
- (oo) **"Ordinary Resolution"** shall have the meaning assigned thereto by Section 114 of the Act.
- (pp) **"Paid up"** shall include the amount credited as paid up.
- (qq) **"Person"** shall mean any natural person, sole proprietorship, partnership, company, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality).
- (rr) **"Register of Shareholders"** shall mean the Register of Shareholders to be kept pursuant to Section 88 of the Act.
- (ss) **"Registrar"** shall mean the Registrar of Companies, from time to time having jurisdiction over the Company.
- (tt) **"Rules"** shall mean the rules made under the Act and notified from time to time.
- (uu) **"Seal"** shall mean the Common Seal(s) for the time being of the Company.
- (vv) **"SEBI"** shall mean the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992.

- (ww) **"Secretary"** shall mean a Company Secretary within the meaning of clause (c) of sub-section (1) of Section 2 of the Company Secretaries Act, 1980 and includes any other individual possessing the prescribed qualifications and appointed to perform the duties which may be performed by a secretary under the Act and any other administrative duties.
- (xx) **"Securities"** shall mean any Equity Shares or any other securities, debentures warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for Equity Shares.
- (yy) **"Share Equivalents"** shall mean any Debentures, Preference Shares, Foreign Currency Convertible Bonds, floating rate notes, options (including options to be approved by the Board (whether or not issued) pursuant to an employee stock option plan) or warrants or other Securities or rights which are by their terms convertible or exchangeable into Equity Shares.
- (zz) **"Shareholder"** shall mean any shareholder of the Company, from time to time.
- (aaa) **"Shareholders' Meeting"** shall mean any meeting of the Shareholders of the Company, including Annual General Meetings as well as Extraordinary General Meetings of the Shareholders of the Company, convened from time to time in accordance with Law and the provisions of these Articles.
- (bbb) **"Special Resolution"** shall have the meaning assigned to it under Section 114 of the Act.
- (ccc) **"Transfer"** shall mean (i) any, direct or indirect, transfer or other disposition of any shares, securities (including convertible securities), or voting interests or any interest therein, including, without limitation, by operation of Law, by court order, by judicial process, or by foreclosure, levy or attachment; (ii) any, direct or indirect, sale, assignment, gift, donation, redemption, conversion or other disposition of such shares, securities (including convertible securities) or voting interests or any interest therein, pursuant to an agreement, arrangement, instrument or understanding by which legal title to or beneficial ownership of such shares, securities (including convertible securities) or voting interests or any interest therein passes from one Person to another Person or to the same Person in a different legal capacity, whether or not for value; (iii) the granting of any security interest or encumbrance in, or extending or attaching to, such shares, securities (including convertible securities) or voting interests or any interest therein, and the word "Transferred" shall be construed accordingly.

## 2. CONSTRUCTION

- (a) In these Articles (unless the context requires otherwise):
  - (i) References to a Party shall, where the context permits, include such Party's respective successors, legal heirs and permitted assigns.
  - (ii) The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
  - (iii) References to articles and sub-articles are references to Articles and Sub-articles of and to these Articles unless otherwise stated and references to these Articles include references to the articles and sub-articles herein.
  - (iv) Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings
  - (v) Wherever the words "include," "includes," or "including" is used in these Articles, such words shall be deemed to be followed by the words "without limitation".

- (vi) The terms "hereof", "herein", "hereto", "hereunder" or similar expressions used in these Articles mean and refer to these Articles and not to any particular Article of these Articles, unless expressly stated otherwise.
- (vii) Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next business day following if the last day of such period is not a business day; and whenever any payment is to be made or action to be taken under these Articles is required to be made or taken on a day other than a business day, such payment shall be made or action taken on the next business day following.
- (viii) A reference to a Party being liable to another Party, or to liability, includes, but is not limited to, any liability in equity, contract or tort (including negligence).
- (ix) Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- (x) References to any particular number or percentage of securities of a Person (whether on a Fully Diluted Basis or otherwise) shall be adjusted for any form of restructuring of the share capital of that Person, including without limitation, consolidation or subdivision or splitting of its shares, issue of bonus shares, issue of shares in a scheme of arrangement (including amalgamation or de-merger) and reclassification of equity shares or variation of rights into other kinds of securities.
- (xi) References made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the MCA. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Act have been notified.
- (xii) In the event any of the provisions of the Articles are contrary to the provisions of the Act and the Rules, the provisions of the Act and Rules will prevail.

### 3. EXPRESSIONS IN THE ACT AND THESE ARTICLES

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.

### 4. SHARE CAPITAL AND VARIATION OF RIGHTS

- (a) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the 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 and at such time as they may from time to time think fit and 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.
- (b) The authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause - V of Memorandum with power to reclassify, subdivide, consolidate and increase and with power from time to time, to issue any shares of the original capital or any new capital and upon the sub-division of shares to apportion the right to participate in profits, in any manner as between the shares resulting from sub-division.
- (c) The Share Capital of the Company may be classified into Shares with differential rights as to dividend, voting or otherwise in accordance with the applicable provisions of the Act, Rules, and Law, from time to time.
- (d) If at any time the Share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class)

may, subject to the provisions of the Sections 106 and 107 of the Companies Act, 1956 or the Act, as the case may be, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourth of the issued Shares of that class, or with the sanction of a Special Resolution passed at a separate meeting of the holders of the Shares of that class.

- (e) To every such separate meeting, the provisions of these articles relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued Shares of the class in question.

#### **Creation or issue of further Shares ranking pari passu**

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

#### **Issuance of Preference Shares**

- (g) Subject to the provisions of Section 55 of the Act, any Preference Shares may, with the sanction of an Ordinary Resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of such Preference Shares may, by Special Resolution, determine.

### **5. COMMISSION**

The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that Section and rules made there under. The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-Section (6) of Section 40. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

### **6. ADRS / GDRS**

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

### **7. ALTERATION OF SHARE CAPITAL**

- (i) The Company, subject to provisions of these Articles and Section 61 of the Act, in General Meeting may from time to time, alter the conditions of its Memorandum as follows, that is to say, it may: -
  - a. increase its Share Capital by such amount as it thinks expedient;
  - b. Consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;
  - c. Sub-divide its existing shares of any of them into shares of smaller amount that is fixed by the Memorandum so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
  - d. Cancel any shares, which at the date of the passing of the resolution have not been taken or agreed to be taken by the person and diminish the amount of its Share Capital by the amount of the shares so cancelled.

- (ii) Subject to the provisions of Sections 66 inclusive of the Act, Board may accept from any member the surrender on such terms and conditions as shall be agreed of all or any of his shares.
- (iii) A cancellation of shares in pursuance of this Article shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

#### **8. REDUCTION OF SHARE CAPITAL**

The Company may, subject to the applicable provisions of the Act and the Companies Act, 1956, from time to time, reduce its Capital, any capital redemption reserve account and the securities premium account in any manner for the time being authorized by Law.

#### **9. POWER OF COMPANY TO PURCHASE ITS OWN SECURITIES**

Pursuant to a resolution of the Board, the Company may purchase its own Equity Shares or other Securities, as may be specified by the MCA, by way of a buy-back arrangement, in accordance with Sections 68, 69 and 70 of the Act, the Rules and subject to compliance with Law.

#### **10. SHARE CERTIFICATES**

- a) The Company shall issue, re-issue and issue duplicate share certificates in accordance with the provisions of the Act and in the form and manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014.
- b) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the Memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,
  - (i) one certificate for all his shares without payment of any charges; or
  - (ii) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for share to one of several joint holders shall be sufficient delivery to all such holders.

- c) The Company shall permit the shareholders for sub-division/consolidation of share certificates.
- d) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of Twenty Rupees for each certificate.
- e) Except as required by law, no person shall be recognized 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 recognize (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 regulations 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.
- f) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders. The provisions of Articles 10(a) and 10(b) shall mutatis mutandis apply to debentures of the Company.

- g) Except as required by law, no person shall be recognized 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 recognize (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 regulations 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.

# **11. SHARES AT THE DISPOSAL OF THE DIRECTORS**

- (a) Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased Capital of the Company) shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to Persons in such proportion and on such terms and conditions and either at a premium or at par at such time as they may, from time to time, think fit.
- (b) If, by the conditions of allotment of any share, the whole or part of the amount thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the shares or by his executor or administrator.
- (c) Every Shareholder, or his heirs, Executors, or Administrators shall pay to the Company, the portion of the Capital represented by his share or shares which may for the time being remain unpaid thereon in such amounts at such time or times and in such manner as the Board shall from time to time in accordance with the Articles require or fix for the payment thereof.
- (d) In accordance with Section 56 and other applicable provisions of the Act and the Rules:
- (i) Every Shareholder or allottee of shares shall be entitled without payment, to receive one or more certificates specifying the name of the Person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificates shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupon of requisite value, save in cases of issue of share certificates against letters of acceptance or of renunciation, or in cases of issue of bonus shares. Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company. Every such certificate shall be issued under the Seal of the Company which shall be affixed in the presence of 2 (two) Directors or persons acting on behalf of the Board under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and the 2 (two) Directors or their attorneys and the Secretary or other person shall sign the shares certificate(s), provided that if the composition of the Board permits, at least 1 (one) of the aforesaid 2 (two) Directors shall be a person other than a Managing Director(s) or an executive Director(s). Particulars of every share certificate issued shall be entered in the Register of Shareholders against the name of the Person, to whom it has been issued, indicating the date of issue. For any further certificate, the Board shall be entitled, but shall not be bound to prescribe a charge not exceeding Rupees Two.
  - (ii) Every Shareholder shall be entitled, without payment, to one or more certificates, in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 2 (two) months from the date of allotment, or within 1 (one) month of the receipt of instrument of transfer, transmission, sub-division, consolidation or renewal of its shares as the case may be. Every certificate of shares shall be in the form and manner as specified in Article 10 above and in respect of a share or shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a

certificate of shares to the first named joint holders shall be sufficient delivery to all such holders.

- (iii) The Board may, at their absolute discretion, refuse any applications for the sub-division of share certificates or Debenture certificates, into denominations less than marketable lots except where sub-division is required to be made to comply with any statutory provision or an order of a competent court of law or at a request from a Shareholder or to convert holding of odd lot into transferable / marketable lot.
- (iv) 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, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.

## 12. UNDERWRITING AND BROKERAGE

- (a) Subject to the applicable provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscription, (whether absolutely or conditionally), for any shares or Debentures in the Company in accordance with the provisions of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
- (b) The Company may also, on any issue of shares or Debentures, pay such brokerage as may be lawful.

## 13. CALLS ON SHARES

- (a) Subject to the provisions of Section 49 of the Act, the Board may, from time to time, make such calls as it thinks fit upon the members in respect of all moneys unpaid on the Shares (whether on account of the nominal value of the Shares or by way of premium) held by them respectively and not by the conditions of allotment thereof made payable at fixed times, and the member shall pay the amount of every call so made on him to the person and at the time and place appointed by the Board of Directors.
- (b) A call shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed. The Board making a call may by resolution determine that the call shall be deemed to be made on a date subsequent to the date of the resolution, and in the absence of such a provision, a call shall be deemed to have been made on the same date as that of the resolution of the Board making such calls.
- (c) Not less than thirty day's notice of any call shall be given specifying the time and place of payment provided that before the time for payment of such call, the Directors may, by notice in writing to the members, extend the time for payment thereof.
- (d) If by the terms of issue of any share or otherwise, any amount is made payable at any fixed times, or by installments at fixed time, whether on account of the nominal value of the share or by way of premium, every such amount or installments shall be payable as if it were a call duly made by the Board, on which due notice had been given, and all the provisions contained herein, or in the terms of such issue, in respect of calls shall relate and apply to such amount or installments accordingly.
- (e) If the sum called in respect of a share is not paid on or before the day appointed for payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installments shall fall due, shall pay interest for the same at the rate of 10 percent per annum, from the day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Directors may determine. The Board shall also be at liberty to waive payment of that interest wholly or in part.
- (f) The provisions of these Articles as to payment of interest shall apply in the case of non-payment of any such sum which by the terms of issue of a share, become payable at a fixed time, whether on account of the amount of the share or by way of premium, as if the same

had become payable by virtue of a call duly made and notified.

- (g) The Board, may, if it thinks fit, receive from any member willing to advance all of or any part of the moneys uncalled and unpaid upon any shares held by him and upon all or any part of the moneys so advance, the Board may (until the same would, but for such advance become presently payable) pay interest at such rate not exceeding, unless the Company in its General Meeting shall otherwise direct, 12% per annum, as may be agreed upon between the Board and the member paying the sum in advance but shall not in respect of such advances confer a right to the dividend or participate in profits. The Directors may at any time repay the amount so advanced.
- (h) The members shall not be entitled to any voting rights in respect of the moneys so paid by them until the same would, but for such payment, become presently payable.
- (i) Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any share 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 share, either by way of principal or interest nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein after provided.
- (j) The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

#### 14. COMPANY'S LIEN

**Fully paid Shares will be free from all liens.**

- (a) The fully paid Shares will be free from all liens, while in the case of partly paid Shares, the Company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such Shares.

**First and paramount lien**

- (b) The Company shall have a first and paramount lien—
  - (i) on every Share (not being a fully paid-up Share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that Share; and
  - (ii) on all Shares (not being fully paid Shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the Company: Provided that the Board of Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article.
- (c) The Company's lien, if any, on a Share shall extend to all Dividends payable and bonuses declared from time to time in respect of such Shares.

**Powers of the Company to sell the Shares under lien**

- (d) The Company may sell, in such manner as the Board of Directors thinks fit, any Shares on which the Company has a lien:

**Provided that no sale shall be made —**

- (i) unless a sum in respect of which the lien exists is presently payable; or
- (ii) until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.
- (e) To give effect to any such sale, the Board of Directors may authorise some person to transfer the Shares sold to the purchaser thereof.
- (i) The purchaser shall be registered as the holder of the Shares comprised in any such transfer.

- (ii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- (f) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (g) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.

#### 15. FORFEITURE OF SHARES

- (a) If a member fails to pay any call or installment of a call on the day appointed for the payment not paid thereof, the Board may during such time as any part of such call or installment remains unpaid serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest, which may have accrued. The Board may accept in the name and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any share liable to forfeiture and so far as the law permits of any other share.
- (b) On the trial or hearing of any action or suit brought by the Company against any share holder or his representative to recover any debt or money claimed to be due to the Company in respect of his share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register of shareholders of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever; but the proof of the matters aforesaid shall be conclusive evidence of the debt.
- (c) The notice shall name a further day (not earlier than the expiration of fourteen days from the date of service of the notice), on or before which the payment required by the notice is to be made, and shall state that, in the event of non-payment on or before the day appointed, the shares in respect of which the call was made will be liable to be forfeited.
- (d) If the requirements of any such notice as, aforementioned are not complied with, any share in respect of which the notice has been given may at any time thereafter; before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect. [Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.]
- (e) When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture shall not be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.
- (f) A forfeited or surrendered share may be sold or otherwise disposed off on such terms and in such manner as the Board may think fit, and at any time before such a sale or disposal, the forfeiture may be cancelled on such terms as the Board may think fit.
- (g) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares but shall, notwithstanding such forfeiture, remain liable to pay and shall forthwith pay the Company all moneys, which at the date of forfeiture is payable by him to the Company in respect of the share, whether such claim be barred by limitation on the date of the forfeiture or not, but his liability shall cease if and when the Company received payment in full of all such moneys due in respect of the shares.

- (h) The forfeiture of a share shall involve in the extinction of all interest in and also of all claims and demands against the Company in respect of the shares and all other rights incidental to the share, except only such of these rights as by these Articles are expressly saved.
- (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share; (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of; (iii) The transferee shall thereupon be registered as the holder of the share; and (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- (j) The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which by terms of issue of a share, becomes payable at a fixed time, whether, on account of the amount of the share or by way of premium or otherwise as if the same had been payable by virtue of a call duly made and notified.
- (k) Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may cause the purchaser's name to be entered in the register in respect of the shares sold and may issue fresh certificate in the name of such a purchaser. The purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

## 16. FURTHER ISSUE OF SHARE CAPITAL

- (a) Where at any time, the Company proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered—
  - (i) to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the Paid up Share Capital on those shares by sending a letter of offer subject to the following conditions, namely:-
    - the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 (fifteen) days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
    - the offer aforesaid shall be deemed to include a right exercisable by the Person concerned to renounce the shares offered to him or any of them in favour of any other Person; and the notice referred to in clause 1 above shall contain a statement of this right;
    - after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not dis-advantageous to the Shareholders and the Company;
  - (ii) to employees under a scheme of Employees' Stock Option, subject to Special Resolution passed by the Company and subject to the Rules and such other conditions, as may be prescribed under Law; or
  - (iii) to any persons, if it is authorised by a Special Resolution, whether or not those Persons include the Persons referred to in clause (i) or clause (ii) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to the Rules.

- (b) The notice referred to in sub-clause 1 of clause (a) of sub-article (i) shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders at least 3 (three) days before the opening of the issue.
- (c) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such Debentures or loans into shares in the Company:

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in a General Meeting.

The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the Rules and the applicable provisions of the Companies Act, 1956.

#### **17. TRANSFER AND TRANSMISSION OF SHARES**

- (a) The Company shall maintain a "Register of Transfers" and shall record therein fairly and distinctly particulars of every transfer or transmission of any Share, Debenture or other Security held in a material form.
- (b) In accordance with Section 56 of the Act, the Rules and such other conditions as may be prescribed under Law, every instrument of transfer of shares held in physical form shall be in writing. In case of transfer of shares where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act shall apply.
- (c) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee within the time frame prescribed under the Act.
- (d) 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 in a prescribed manner and the transferee communicates no objection to the transfer within 2 (two) weeks from the receipt of the notice.
- (e) Every such instrument of transfer shall be executed by both, the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Shareholders in respect thereof.
- (f) The Board shall have power on giving not less than 7 (seven) days previous notice by advertisement in a newspaper circulating in the city, town or village in which the Office of the Company is situated to close the transfer books, the Register of Shareholders and/or Register of Debenture-holders at such time or times and for such period or periods, not exceeding 30 (thirty) days at a time and not exceeding in the aggregate 45 (forty-five) days in each year, as it may deem expedient.
- (g) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a Shareholder in the Company. The Company shall, within 30 (thirty) days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other Person or Persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.

- (h) Subject to the applicable provisions of the Act and these Articles, the Directors shall have the absolute and uncontrolled discretion to refuse to register a Person entitled by transmission to any shares or his nominee as if he were the transferee named in any ordinary transfer presented for registration, and shall not be bound to give any reason for such refusal and in particular may also decline in respect of shares upon which the Company has a lien.
- (i) Subject to the provisions of these Articles, any transfer of shares in whatever lot should not be refused, though there would be no objection to the Company refusing to split a share certificate into several scripts of any small denominations or, to consider a proposal for transfer of shares comprised in a share certificate to several Shareholders, involving such splitting, if on the face of it such splitting / transfer appears to be unreasonable or without a genuine need. The Company should not, therefore, refuse transfer of shares in violation of the stock exchange listing requirements on the ground that the number of shares to be transferred is less than any specified number.
- (j)
  - (i) On the death of a Shareholder, the survivor or survivors where the Shareholder was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
  - (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- (k) The Executors or Administrators or holder of the succession certificate or the legal representatives of a deceased Shareholder, (not being one of two or more joint-holders), shall be the only Shareholders recognized by the Company as having any title to the shares registered in the name of such Share holder, and the Company shall not be bound to recognize such Executors or Administrators or holders of succession certificate or the legal representatives unless such Executors or Administrators or legal representatives shall have first obtained probate or letters of administration or succession certificate, as the case may be, from a duly constituted court in India, provided that the Board may in its absolute discretion dispense with production of probate or letters of administration or succession certificate, upon such terms as to indemnity or otherwise as the Board may in its absolute discretion deem fit and may register the name of any Person who claims to be absolutely entitled to the shares standing in the name of a deceased Shareholder, as a Shareholder.
- (l) The Board shall not knowingly issue or register a transfer of any share to a minor or insolvent or Person of unsound mind, except fully paid shares through a legal guardian.
- (m) Subject to the provisions of Articles, any person becoming entitled to a share in consequence of the death or insolvency of a Shareholder may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either: (a) to be registered himself as holder of the share; or (b) to make such transfer of the share as the deceased or insolvent member could have made. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- (n) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Shareholder had not occurred and the notice or transfer were a transfer signed by that Share holder.

- (o) A Person becoming entitled to a share by reason of the death or insolvency of a Shareholder shall be entitled to the same Dividends and other advantages to which he would be entitled if he were the registered holder of the shares, except that he shall not, before being registered as a Shareholder in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Directors shall, at any time, give notice requiring any such Person to elect either to be registered himself or to transfer the shares, and if such notice is not complied with within 90 (ninety) days, the Directors may thereafter withhold payment of all Dividends, bonuses or other monies payable in respect of the shares until the requirements of the notice have been complied with.

- (p) Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may require to show the title of the transferor, his right to transfer the shares. Every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.

(i) Where any instrument of transfer of shares has been received by the Company for registration and the transfer of such shares has not been registered by the Company for any reason whatsoever, the Company shall transfer the Dividends in relation to such shares to a special account unless the Company is authorized by the registered holder of such shares, in writing, to pay such Dividends to the transferee and will keep in abeyance any offer of right shares and/or bonus shares in relation to such shares.

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

- (q) Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with a properly stamped and executed instrument of transfer in accordance with the provisions of Section 56 of the Act.

- (r) No fee shall be payable to the Company, in respect of the registration of transfer or transmission of shares, or for registration of any power of attorney, probate, letters of administration and succession certificate, certificate of death or marriage or other similar documents, sub division and/or consolidation of shares and debentures and sub-divisions of letters of allotment, renounceable letters of right and split, consolidation, renewal and genuine transfer receipts into denomination corresponding to the market unit of trading.

- (s) The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof, (as shown or appearing in the Register of Shareholders), to the prejudice of a Person or Persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had any notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto, in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice, and give effect thereto if the Board shall so think fit.

- (t) The provision of these Articles shall subject to the applicable provisions of the Act, the Rules and any requirements of Law. Such provisions shall mutatis mutandis apply to the transfer or transmission by operation of Law to other Securities of the Company.

## 18. CAPITALISATION OF PROFITS

- (a) (i) The Company in general meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Shareholders who would have been entitled thereto, if distributed by way of dividend in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to other applicable provisions, either in or towards: (A) paying up any amounts for the time being unpaid on any shares held by such Shareholders respectively; (B) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Shareholders in the proportions aforesaid; (C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B); (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Shareholders of the Company as fully paid bonus shares; (E) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.
- (b) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall: (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power: (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such Shareholders.

## 19. DEMATERIALIZATION OF SECURITIES

- (a) De-materialization: Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize or rematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act and the rules framed thereunder, if any.
- (b) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.
- (c) Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles.
- (d) Options for investors  
Every person subscribing to securities offered by the Company shall have the option to receive security certificates, hold, or deal in 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 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. 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.

(e) Securities in depositories to be in fungible form

All securities held by a depository shall be in electronic form and the certificates in respect thereof shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

(f) Rights of depositories and beneficial owners:

- (i) 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.
- (ii) 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.

(g) 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 the 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.

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

(i) Transfer of securities - Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(j) Allotment of securities dealt with in a depository - Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

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

(l) Register and Index of Beneficial owners - The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles with details of shares held in physical and dematerialized forms in any medium as may be permitted by law including in any form of electronic medium.

(m) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository.

(n) Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the register of members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of

competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

## **20. NOMINATION BY SECURITIES HOLDERS**

- (a) Every holder of Securities of the Company may, at any time, nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as his nominee in whom the Securities of the Company held by him shall vest in the event of his death.
- (b) Where the Securities of the Company are held by more than one Person jointly, the joint may together nominate, in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, a Person as their nominee in whom all the rights in the Securities Company shall vest in the event of death of all the joint holders.
- (c) Notwithstanding anything contained in any other Law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the Securities of the Company, where a nomination made in the manner prescribed under the Companies (Share Capital and Debentures) Rules, 2014, purports to confer on any Person the right to vest the Securities of the Company, the nominee shall, on the death of the holder of Securities of the Company or, as the case may be, on the death of the joint holders become entitled to all the rights in Securities of the holder or, as the case may be, of all the joint holders, in relation to such Securities of the Company to the exclusion of all other Persons, unless the nomination is varied or cancelled in the prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014.
- (d) Where the nominee is a minor, the holder of the Securities concerned, can make the nomination to appoint in prescribed manner under the Companies (Share Capital and Debentures) Rules, 2014, any Person to become entitled to the Securities of the Company in the event of his death, during the minority.
- (e) The transmission of Securities of the Company by the holders of such Securities and transfer in case of nomination shall be subject to and in accordance with the provisions of the Companies (Share Capital and Debentures) Rules, 2014.

## **21. NOMINATION IN CERTAIN OTHER CASES**

Subject to the applicable provisions of the Act and these Articles, any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any holder of Securities, or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Board (which it 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 such title as the Board thinks sufficient, either be registered himself as the holder of the Securities or elect to have some Person nominated by him and approved by the Board registered as such holder; provided nevertheless that, if such Person shall elect to have his nominee registered, he shall testify the 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 the Securities.

## **22. COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 17 of the Act shall be sent by the Company to every Shareholder at his request within 7 (seven) days of the request on payment of such sum as prescribed under the Companies (Incorporation) Rules, 2014.

## **23. BORROWING POWERS**

- (a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think

fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this or any other Company or perpetual annuities and to secure any such money so borrowed, raised or received, 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 be expedient and to purchase, redeem or pay off any such securities; provided how ever, that the moneys to be borrowed, together with the money 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 sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company and its free reserves. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

- (b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.
- (c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.
- (d) Any bonds, Debentures, debenture-stock or other Securities may if permissible in Law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, appointment of Directors or otherwise. Provided that Debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

#### **24. CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

- (a) The Company may, by Ordinary Resolution, convert all or any fully paid share(s) of any denomination into stock and vice versa.
- (b) The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations, 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.
- (c) The holders of the stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of the Company and its 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.
- (d) Such of the regulations contained in these presents, other than those relating to share warrants as are applicable to paid-up shares shall apply to stock and the words shares and shareholder in these presents shall include stock and stockholder respectively.

**25. ANNUAL GENERAL MEETING**

In accordance with the provisions of the Act, the Company shall in each year hold a General Meeting specified as its Annual General Meeting and shall specify the meeting as such in the notices convening such meetings. Further, not more than 15 (fifteen) months gap shall exist between the date of one Annual General Meeting and the date of the next. All General Meetings other than Annual General Meetings shall be an Extraordinary General Meetings.

Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held.

**26. VENUE, DAY AND TIME FOR HOLDING ANNUAL GENERAL MEETING**

- (a) Every Annual General Meeting shall be called during business hours, that is, between 9 A.M. and 6 P.M. on a day that is not a national holiday, and shall be held at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situate, as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.
- (b) Every Shareholder of the Company shall be entitled to attend the Annual General Meeting either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. 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' shareholdings which latter Register shall remain open and accessible during the continuance of the Meeting. The Board shall cause to be prepared the Annual Return and forward the same to the concerned Registrar of Companies, in accordance with Sections 92 and 137 of the Act. The Directors are also entitled to attend the Annual General Meeting.

**27. NOTICE OF GENERAL MEETINGS**

- (a) Number of days' notice of General Meeting to be given: A General Meeting of the Company may be called by giving not less than 21 (twenty one) days clear notice in writing or in electronic mode. However, a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the Shareholders entitled to vote at that meeting.

The notice of every meeting shall be given to:

- (i) every Shareholder, legal representative of any deceased Shareholder or the assignee of an insolvent member of the Company,
- (ii) Auditor or Auditors of the Company, and
- (iii) all Directors.
- (b) Notice of meeting to specify place, etc., and to contain statement of business: Notice of every meeting of the Company shall specify the place, date, day and hour of the meeting, and shall contain a statement of the business to be transacted thereat shall be given in the manner prescribed under Section 102 of the Act.
- (c) Contents and manner of service of notice and Persons on whom it is to be served: Every notice may be served by the Company on any Shareholder thereof either personally or by sending it by post to their/its registered address in India and if there be no registered address in India, to the address supplied by the Shareholder to the Company for giving the notice to the Shareholder.

- (d) **Special business:** Subject to the applicable provisions of the Act, where any items of business to be transacted at the meeting are deemed to be special, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including any particular nature of the concern or interest if any therein of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid and where any item of special business relates to or affects any other company, the extent of shareholding interest in that other company of every Director or manager (as defined under the provisions of the Act), if any or key managerial personnel (as defined under the provisions of the Act) or the relatives of any of the aforesaid of the first mentioned company shall also be set out in the statement if the extent of such interest is not less than 2 per cent of the paid up share capital of that other company. All business transacted at any meeting of the Company shall be deemed to be special and all business transacted at the Annual General Meeting of the Company with the exception of the business specified in Section 102 of the Act shall be deemed to be special.
- (e) **Resolution requiring Special Notice:** With regard to resolutions in respect of which special notice is required to be given by the Act, a special notice shall be given as required by Section 115 of the Act.
- (f) **Notice of Adjourned Meeting when necessary:** When a meeting is adjourned for 30 (thirty) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting in accordance with the applicable provisions of the Act.
- (g) **Notice when not necessary:** Save as aforesaid, and as provided in Section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
- (h) The notice of the General Meeting shall comply with the provisions of Companies (Management and Administration) Rules, 2014.

## **28. REQUISITION OF EXTRAORDINARY GENERAL MEETING**

- (a) The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition received from such number of Shareholders who hold, on the date of receipt of the requisition, not less than one-tenth of such of the Paid up Share Capital of the Company as on that date carries the right of voting and such meeting shall be held at the Office or at such place and at such time as the Board thinks fit.
- (b) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.
- (c) Any valid requisition so made by Shareholders must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (d) Upon the receipt of any such valid requisition, the Board shall forthwith call an Extraordinary General Meeting and if they do not proceed within 21 (twenty-one) days from the date of the requisition being deposited at the Office to cause a meeting to be called on a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number 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 Section 100 of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

- (e) Any meeting called under the foregoing sub-articles by the requisitionists, shall be called in the same manner, as nearly as possible, as that in which a meeting is to be called by the Board.
- (f) The accidental omission to give any such notice as aforesaid to any of the Shareholders, or the non-receipt thereof, shall not invalidate any resolution passed at any such meeting.
- (g) No General Meeting, Annual or Extraordinary, shall be competent to enter into, discuss or transact any business which has not been mentioned in the notice or notices by which it was convened.
- (h) The Extraordinary General Meeting called under this article shall be subject to and in accordance with the provisions contained under the Companies (Management and Administration) Rules, 2014.

#### **29. NO BUSINESS TO BE TRANSACTED IN GENERAL MEETING IF QUORUM IS NOT PRESENT**

The quorum for the Shareholders' Meeting shall be in accordance with Section 103 of the Act. Subject to the provisions of Section 103(2) of the Act, if such a quorum is not present within half an hour from the time set for the Shareholders' Meeting, the Shareholders' Meeting shall be adjourned to the same time and place or to such other date and such other time and place as the Board may determine and the agenda for the adjourned Shareholders' Meeting shall remain the same. If at such adjourned meeting also, a quorum is not present, at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum, and may transact the business for which the meeting was called.

#### **30. CHAIRMAN OF THE GENERAL MEETING**

The Chairman of the Board shall be entitled to take the Chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman. If no Director be present or if all the Directors present decline to take the Chair, then the Shareholders present shall elect one of their number to be the Chairman of the meeting. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.

#### **31. CHAIRMAN CAN ADJOURN THE GENERAL MEETING**

The Chairman may, with the consent given in the meeting at which a quorum is present (and if so directed by the meeting) adjourn the General Meeting from time to time and from place to place within the city, town or village in which the Office of the Company is situate but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

#### **32. QUESTIONS AT GENERAL MEETING HOW DECIDED**

- (a) At any General Meeting, a resolution put to the vote of the General Meeting shall, unless a poll is demanded, be decided by a show of hands. Before or on the declaration of the result of the voting on any resolution by a show of hands, a poll may be carried out in accordance with the applicable provisions of the Act or the voting is carried out electronically. Unless a poll is demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost and an entry to that effect in the Minute Book of the Company shall be conclusive evidence of the fact, of passing of such resolution or otherwise.
- (b) In the case of equal votes, the Chairman shall both on a show of hands and at a poll, (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a Shareholder.
- (c) If a poll is demanded as aforesaid, the same shall be subject to anything stated in these Articles be taken at such time, (not later than forty-eight hours from the time when the demand was made), and place within the City, Town or Village in which the Office of the Company is situate

and either by a show of hands or by ballot or by postal ballot, as the Chairman shall direct and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the decision of the meeting at which the poll was demanded. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

- (d) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers to scrutinize the votes given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Shareholder, (not being an officer or employee of the Company), present at the meeting provided such a Shareholder is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared, to remove a scrutinizer from office and fill vacancies in the office of scrutinizer arising from such removal or from any other cause.
- (e) Any poll duly demanded on the election of a Chairman of a meeting or any question of adjournment, shall be taken at the meeting forthwith. A poll demanded on any other question shall be taken at such time not later than 48 hours from the time of demand, as the Chairman of the meeting directs.
- (f) The demand for a poll except on the question of the election of the Chairman and of an adjournment 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.
- (g) 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 118 of the Act to be contained in the Minutes of the proceedings of such meeting.
- (h) The Shareholders will do nothing to prevent the taking of any action by the Company or act contrary to or with the intent to evade or defeat the terms as contained in these Articles.

### **33. PASSING RESOLUTIONS BY POSTAL BALLOT**

- (a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Companies (Management and Administration) Rules, 2014, as amended, or other Law required to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company. Also, the Company may, in respect of any item of business other than ordinary business and any business in respect of which Directors or Auditors have a right to be heard at any meeting, transact the same by way of postal ballot.
- (b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, as amended from time.

### **34. VOTES OF MEMBERS**

- (a) Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
  - (i) on a show of hands, every member present in person shall have one vote; and
  - (ii) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity Share Capital of the Company.
- (b) A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.

- (c) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- (d) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- (e) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- (f) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.
- (g) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive and every vote not disallowed at such meeting shall be valid for all purposes.

### 35. PROXY

- (a) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power of authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- (b) An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105.
- (c) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### 36. E-VOTING

The Company shall also provide e-voting facility to the Shareholders of the Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014 or any other Law, if applicable to the Company.

Company will follow the following procedure namely:

- (a) the notices of the meeting shall be sent to all the members, auditors of the company, or directors either
  - (i) by registered post or speed post ; or
  - (ii) through electronic means like registered e-mail id;
  - (iii) through courier service;

- (b) the notice shall also be placed on the website of the company, if any and of the agency forthwith after it is sent to the members.
- (c) the notice of the meeting shall clearly mention that the business may be transacted through electronic voting system and the company is providing facility for voting by electronic means.
- (d) the notice shall clearly indicate the process and manner for voting by electronic means and the time schedule including the time period during which the votes may be cast and shall also provide the login ID and create a facility for generating password and for keeping security and casting of vote in a secure manner.
- (e) the company shall cause an advertisement to be published, not less than five days before the date of beginning of the voting period, at least once in a vernacular newspaper in the principal vernacular language of the district in which the registered office of the company is situated, and having a wide circulation in that district, and at least once in English language in an English newspaper having a wide circulation in that district, about having sent the notice of the meeting and specifying therein, inter alia, the following matters, namely:-
  - (i) statement that the business may be transacted by electronic voting;
  - (ii) the date of completion of sending of notices;
  - (iii) the date and time of commencement of voting through electronic means;
  - (iv) the date and time of end of voting through electronic means;
  - (v) the statement that voting shall not be allowed beyond the said date and time;
  - (vi) website address of the company and agency, if any, where notice of the meeting is displayed; and
  - (vii) contact details of the person responsible to address the grievances connected with the electronic voting
- (f) the e-voting shall remain open for not less than one day and not more than three days:  
Provided that in all such cases, such voting period shall be completed three days prior to the date of the general meeting.
- (g) the Board shall appoint one scrutinizer, who may be chartered Accountant in practice, Cost Accountant in practice, or Company Secretary in practice or an advocate, but not in employment of the company and is a person of repute who, in the opinion of the Board can scrutinize the e-voting process in a fair and transparent manner.
- (h) the scrutinizer shall, within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman.
- (i) subject to receipt of sufficient votes, the resolution shall be deemed to be passed on the date of the relevant general meeting of members.

### **37. BOARD OF DIRECTORS**

- (a) Until otherwise determined by Special Resolution of the number of Directors of the Company shall not be less than three or more than twelve.
- (b) The Company in General Meeting may from time to time increase or reduce the number of Directors within the limits fixed by Article 37(a).
- (c) The following persons shall be the First Directors of the Company.
  - (i) JAYANT DAVAR
  - (ii) MONICA DAVAR
  - (iii) YASH PAL VIJ

- (d) The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of the listing agreement.

### **38. ADDITIONAL DIRECTORS**

The Board may appoint any person other than a person who fails to get appointed as a Director in a General Meeting, as an Additional Director, who shall hold office only up to the earlier of the date of the next Annual General Meeting or at the last date on which the Annual General Meeting should have been held but shall be eligible for appointment by the Company as a Director at that meeting subject to the applicable provisions of the Act.

### **39. ALTERNATE DIRECTORS**

The Board may, appoint a person, not being a person holding any alternate directorship for any other director in the Company, to act as an alternate director for a director during his absence for a period of not less than three months from India.

### **40. INDEPENDENT DIRECTORS**

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, such appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under Clause 49 of the listing agreement.

### **41. NOMINEE DIRECTORS**

Whenever the Board enter into a contract with any lenders for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 152 of the Act the power to agree that such lenders shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more Directors on the Board for such period and upon such conditions as may be mentioned in the common loan agreement/ facility agreement. The Nominee Director representing lenders shall not be required to hold qualification shares and not be liable to retire by rotation. The Directors may also agree that any such Director, or Directors may be removed from time to time by the lenders entitled to appoint or nominate them and such lenders may appoint another or other or others in his or their place and also fill in any vacancy which may occur as a result of any such Director, or Directors ceasing to hold that office for any reason whatever. The Nominee Director shall hold office only so long as any monies remain owed by the Company to such lenders.

The Nominee Director shall be entitled to all the rights and privileges of other Directors including the sitting fees and expenses as payable to other Directors but, if any other fees, commission, monies or remuneration in any form are payable to the Directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall accrue to the lenders and the same shall accordingly be paid by the Company directly to the lenders.

Provided that if any such Nominee Director is an officer of any of the lenders, the sittings fees in relation to such Nominee Director shall also accrue to the lenders concerned and the same shall accordingly be paid by the Company directly to that lenders.

Any expenditure that may be incurred by the lenders or the Nominee Director in connection with the appointment or Directorship shall be borne by the Company.

The Nominee Director so appointed shall be a member of the Project Management sub-committee, Audit sub-committee and other sub-committees of the Board, if so desired by the lenders.

The Nominee Director shall be entitled to receive all notices, agenda, etc. and to attend all general meetings and Board meetings and meetings of any committee(s) of the Board of which he is a member and to receive all notices, agenda and minutes, etc. of the said meeting.

If at any time, the nominee Director is not able to attend a meeting of Board or any of its committees, of which he is a member, the lenders may depute an observer to attend the meeting. The expenses incurred by the lenders in this connection shall be borne by the Company.

**42. CASUAL VACANCY**

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of and subject to any regulations in the articles of the company, be filled by the Board at a meeting of the Board.

**43. WOMAN DIRECTOR**

The Company shall have such number of Woman Director on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable.

**44. REMUNERATION OF DIRECTORS**

- (a) Subject to the applicable provisions of the Act, the Rules, Law including the provisions of the listing agreement, a Managing Director or Managing Directors, and any other Director/s who is/are in the whole time employment of the Company may be paid remuneration either by a way of monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other, subject to the limits prescribed under the Act. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (b) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel and other expenses properly incurred by them: (a) in attending and returning from meetings of the Board or any committee thereof or General Meetings of the Company; or (b) in connection with the business of the Company.
- (c) Subject to the applicable provisions of the Act, a Director (other than a Managing Director or an executive Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the central government from time to time for each meeting of the Board or any Committee thereof attended by him.
- (d) The remuneration payable to each Director for every meeting of the Board or Committee of the Board attended by them shall be such sum as may be determined by the Board from time to time within the maximum limits prescribed from time to time by the Central Government pursuant to the first proviso to Section 197 of the Act.
- (e) All fees/compensation to be paid to Non-Executive Directors including Independent Directors shall be as fixed by the Board and shall require the prior approval of the Shareholders in a General Meeting. Such approval shall also specify the limits for the maximum number of Employees' Stock Options that can be granted to a Non-Executive Director, in any financial year, and in aggregate. However, such prior approval of the Shareholders shall not be required in relation to the payment of sitting fees to Non-Executive Directors if the same is made within the prescribed limits under the Act for payment of sitting fees with approval of central government. Not with standing anything contained in this article, the Independent Directors shall not be eligible to receive any Employees' Stock Options.

**45. POWERS OF THE BOARD TO KEEP A FOREIGN REGISTER**

The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

**46. SIGNING OF CHEQUES, HUNDIES, ETC.**

All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or

otherwise executed, as the case may be, by such person and in such manner as the Board of Directors shall from time to time by resolution determine.

Every Director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

#### 47. CONTINUING DIRECTORS

The continuing Directors may act notwithstanding any vacancy in their body, but if, and so long as their number is reduced below the minimum number fixed by Article 37 hereof, the continuing Directors not being less than two may act for the purpose of increasing the number of Directors to that number, or for summoning a General Meeting, but for no other purpose.

#### 48. VACATION OF OFFICE BY DIRECTOR

(a) Subject to relevant provisions of Sections 167 of the Act, the office of a Director, shall ipso facto be vacated if:

- (i) he is found to be of unsound mind by a court of competent jurisdiction; or
- (ii) he applies to be adjudicated an insolvent; or
- (iii) he is adjudged an insolvent; or
- (iv) he is convicted by a court of any offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than 6 (six) months; or
- (v) he fails to pay any calls made on him in respect of shares of the Company held by him whether alone or jointly with others, within 6 (six) months from the date fixed for the payment of such call, unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or
- (vi) he absents himself from 3 (three) consecutive meetings of the Board or from all Meetings of the Board for a continuous period of 3 (three) months, whichever is longer, without obtaining leave of absence from the Board; or
- (vii) 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 Section 185 of the Act; or
- (viii) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or
- (ix) he acts in contravention of Section 184 of the Act; or
- (x) he becomes disqualified by an order of the court ;
- (xi) he is removed in pursuance of Section 169 of the Act; or
- (xii) he is disqualified under Section 164(2) of the Act.

Subject to the applicable provisions of the Act, a Director may resign his office at any time by notice in writing addressed to the Board and such resignation shall become effective upon its acceptance by the Board.

#### 49. ONE-THIRD OF DIRECTORSTO RETIRE EVERYYEAR

At the Annual General Meeting of the Company to be held in every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the Managing Director or Whole-Time Director(s), appointed or the Directors appointed as a Debenture Director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

**50. PROCEDURE, IF PLACE OF RETIRING DIRECTORS IS NOT FILLED UP**

- (a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
- (b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned meeting, unless:-
  - (i) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
  - (ii) retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed;
  - (iii) he is not qualified or is disqualified for appointment;
  - (iv) a resolution whether special or ordinary is required for the appointment or reappointment by virtue of any applicable provisions of the Act.

**51. COMPANY MAY INCREASE OR REDUCE THE NUMBER OF DIRECTORS.**

Subject to Article 37 and Section 149 and 152 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may, (subject to the provisions of Section 169 of the Act), remove any Director before the expiration of his period of office and appoint another qualified in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

**52. REGISTER OF DIRECTORS ETC.**

- (a) The Company shall keep at its Office, a Register containing the particulars of its Directors, Managing Directors, Manager, Secretaries and other Persons mentioned in Section 170 of the Act and shall otherwise comply with the provisions of the said Section in all respects.
- (b) The Company shall in respect of each of its Directors also keep at its Office a Register, as required by Section 170 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

**53. DISCLOSURE BY DIRECTOR OF APPOINTMENT TO ANY OTHER BODY CORPORATE.**

Every Director shall in accordance with the provisions of Companies (Meeting of Board and its Powers) Rules, 2014 shall disclose his concern or interest in any Company or companies or bodies corporate (including shareholding interest), firms or other association of individuals by giving a notice in accordance with such rules.

**54. MANAGING DIRECTOR(S)/WHOLETIME DIRECTOR(S)/EXECUTIVE DIRECTOR(S)/MANAGER**

Subject to the provisions of Section 203 of the Act and of these Articles, the Board shall have the power to appoint from time to time any full time employee of the Company as Managing Director/ Whole time Director or Executive Director or Manager of the Company. The Managing Director(s) or the Whole time Director(s) Manager or Executive Director(s), as the case may be, so appointed, shall be responsible for and in charge of the day to day management and affairs of the Company and subject to the applicable provisions of the Act and these Articles, the Board shall vest in such Managing Director/s or the Whole Time Director(s) or Manager or Executive Director(s), as the case may be, all the powers vested in the Board generally. The remuneration of a Managing Director/ Whole time Director or Executive Director or Manager may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all those modes or any other mode not expressly prohibited by the Act.

**55. PROVISIONS TO WHICH MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S)/EXECUTIVE DIRECTOR(S)/MANAGER ARE SUBJECT**

Notwithstanding anything contained herein, a Managing Director(s) / Whole time Director(s) / Executive Director(s) / Manager shall be 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 if he ceases to hold the office of a Director he shall ipso facto and immediately cease to be a Managing Director(s) / whole time Director(s) / Executive Director(s) / Manager, and if he ceases to hold the office of a Managing Director(s) / whole time Director(s) / executive Director(s)/ Manager he shall ipso facto and immediately cease to be a Director.

**56. REMUNERATION OF MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/MANAGER**

The remuneration of the Managing Director(s) / Whole time Director(s) / Executive Director(s) / Manager shall (subject to Sections 196, 197 and 203 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission or profits of the Company or by participation in such profits, or by any or all these modes or any other mode not expressly prohibited by the Act.

**57. POWER AND DUTIES OF MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S) / EXECUTIVE DIRECTOR(S)/MANAGER**

Subject to the superintendence, control and direction of the Board, the day-to-day management of the Company shall be in the hands of the Managing Director(s)/Whole time Director(s) / Executive Director(s)/ Manager s in the manner as deemed fit by the Board and subject to the applicable provisions of the Act, and these Articles, the Board may by resolution vest any such Managing Director(s)/Whole time Director(s) / Executive Director(s)/ Manager with such of the powers hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to the applicable provisions of the Act, and these Articles confer such power either collaterally with or to the exclusion of or in substitution for all or any of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

**58. POWERTO BE EXERCISED BYTHE BOARD ONLY BY MEETING**

The Board shall exercise the following powers on behalf of the Company and the said powers shall be exercised only by resolutions passed at the meeting of the Board: -

- (a) to make calls on Shareholders in respect of money unpaid on their shares;
- (b) to authorise buy-back of securities under Section 68 of the Act;
- (c) to issue securities, including debentures, whether in or outside India;
- (d) to borrow money(ies);
- (e) to invest the funds of the Company;
- (f) to grant loans or give guarantee or provide security in respect of loans;
- (g) to approve financial statements and the Board's report;
- (h) to diversify the business of the Company;
- (i) to approve amalgamation, merger or reconstruction;
- (j) to take over a company or acquire a controlling or substantial stake in another company;
- (k) fees/ compensation payable to Non-Executive Directors including Independent Directors of the Company; and
- (l) any other matter which may be prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014 and the listing agreement.

The Board may, by a resolution passed at a meeting, delegate to any Committee of Directors, the Managing Director, or to any person permitted by Law the powers specified in sub clauses (d) to (f) above.

The aforesaid powers shall be exercised in accordance with the provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 and shall be subject to the provisions of Section 180 of the Act.

In terms of Section 180 of the Act, the Board may exercise the following powers subject to receipt of consent by the Company by way of a Special Resolution:

- (a) to sell, lease or otherwise dispose of the whole or substantial part of the undertaking of the Company;
- (b) to borrow money; and
- (c) any such other matter as may be prescribed under the Act, the listing agreement and other applicable provisions of Law.

#### **59. PROCEEDINGS OF THE BOARD OF DIRECTORS**

- (a) Board Meetings shall be held at least once in every 3 (three) month period and there shall be at least 4 (four) Board Meetings in any calendar year and there should not be a gap of more than 120 (one hundred twenty) days between two consecutive Board Meetings. Meetings shall be held in Mumbai, or such a place as may be decided by the Board.
- (b) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or other audio visual means, as may be prescribed, which are capable of recording and recognising the participation of the Directors and of recording and storing the proceedings of such meetings along with date and time. However, such matters as provided under the Companies (Meetings of Board and its Powers) Rules, 2014 shall not be dealt with in a meeting through video conferencing or other audio visual means. Any meeting of the Board held through video conferencing or other audio visual means shall only be held in accordance with the Companies (Meetings of Board and its Powers) Rules, 2014.
- (c) The continuing Directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- (d) (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairperson of the meeting.
- (e) The Company Secretary shall, as and when directed by the Chairman convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014.
- (f) The Board may meet either at the Office of the Company, or at any other location in India or outside India as the Chairman may determine.
- (g) At least 7 (seven) days' notice of every meeting of the Board shall be given in writing to every Director for the time being at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic means. A meeting of the Board may be convened in accordance with these Articles by a shorter notice in case of any emergency as directed by the Chairman or the Managing Director or the Executive Director, as the case may be, subject to the presence of 1 (one) Independent Director in the said meeting. If an Independent Director is not present in the said meeting, then decisions taken at the said meeting shall be circulated to all the Directors and shall be final only upon ratification by one Independent Director. Such notice or shorter notice may be sent by post or by fax or e-mail depending upon the circumstances.

- (h) At any Board Meeting, each Director may exercise 1 (one) vote. In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote. The adoption of any resolution of the Board shall require the affirmative vote of a majority of the Directors present at a duly constituted Board Meeting.

#### **60. QUORUM FOR BOARD MEETING**

##### **(a) Quorum for Board Meetings**

Subject to the provisions of Section 174 of the Act, the quorum for each Board Meeting shall be at least three Directors the presence of Directors by video conferencing or by other audio visual means shall also be counted for the purposes of calculating quorum.

If any duly convened Board Meeting cannot be held for want of a quorum, then such a meeting shall automatically stand adjourned for 7 (seven) days after the original meeting at the same time and place, or if that day is a national holiday, on the succeeding day which is not a public holiday to the same time and place. Provided however, the adjourned meeting may be held on such other date and such other place as may be unanimously agreed to by all the Directors in accordance with the provisions of the Act.

- (b) If in the event of a quorum once again not being available at such an adjourned meeting, the Directors present shall constitute the quorum and may transact business for which the meeting has been called.

#### **61. POWERS OF THE BOARD**

Subject to the applicable provisions of the Act, these Articles and other applicable provisions of Law: -

- (a) The Board shall be entitled to exercise all such power and to do all such acts and things as the Company is authorised to exercise and do under the applicable provisions of the Act or by the memorandum and articles of association of the Company.
- (b) The Board is vested with the entire management and control of the Company, including as regards any and all decisions and resolutions to be passed, for and on behalf of the Company.

#### **62. COMMITTEES AND DELEGATION BY THE BOARD**

- (a) The Company shall constitute such Committees as may be required under the Act, applicable provisions of Law and the listing agreement. Without prejudice to the powers conferred by the other Articles and so as not to in any way to limit or restrict those powers, the Board may, subject to the provisions of Section 179 of the Act, delegate any of its powers to the Managing Director(s), the Executive Director(s) or Manager or the Chief Executive Officer of the Company. The Managing Director(s), the Executive Director(s) or the Manager or the Chief Executive Officer(s) as aforesaid shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on them by the Board and all acts done by them in exercise of the powers so delegated and in conformity with such regulations shall have the like force and effect as if done by the Board.
- (b) Subject to the applicable provisions of the Act, the requirements of Law and these Articles, the Board may delegate any of its powers to Committees of the Board consisting of such member or members of the Board as it thinks fit, and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes. Every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
- (c) The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and

proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulation made by the Directors under the last preceding Article.

- (d) A committee may elect a Chairperson of its meetings. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Shareholders present may choose one of their members to be Chairperson of the meeting.
- (e) A committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
- (f) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a Director.
- (g) The Board of the Company shall in accordance with the provisions of the Companies (Meetings of the Board and its Powers) Rules, 2014 or any other Law and the provisions of the listing agreement, form such committees as may be required under such rules in the manner specified therein, if the same are applicable to the Company.

**63. ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING INFORMAL APPOINTMENT**

All acts undertaken at any meeting of the Board or of a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director. Provided that nothing in this Article shall be deemed to give validity to the acts undertaken by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

**64. PASSING OF RESOLUTION BY CIRCULATION**

No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft form, together with the necessary papers, if any, to all the Directors, or members of the Committee, as the case may be, at their addresses registered with the Company in India by hand delivery or by post or by courier, or through such electronic means as may be provided under the Companies (Meetings of Board and its Powers) Rules, 2014 and has been approved by majority of Directors or members, who are entitled to vote on the resolution. However, in case one-third of the total number of Directors for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a meeting of the Board.

A resolution mentioned above shall be noted at a subsequent meeting of the Board or the Committee thereof, as the case may be, and made part of the minutes of such meeting.

**65. OFFICERS**

- (a) The Company shall have its own professional management and such officers shall be appointed from time to time as designated by its Board. The officers of the Company shall serve at the discretion of the Board.
- (b) The officers of the Company shall be responsible for the implementation of the decisions of the Board, subject to the authority and directions of the Board and shall conduct the day to day business of the Company.
- (c) The officers of the Company shall be the Persons in charge of and responsible to the Company for the conduct of the business of the Company and shall be concerned and responsible to ensure full and due compliance with all statutory laws, rules and regulations as are required to

be complied with by the Company and/or by the Board of the Company.

- (d) Qualified experienced managerial and marketing executives and other officers shall be appointed for the operation and conduct of the business of the Company.
- (e) The Board shall appoint with the approval of the Chairman and/or Chief Executive Officer and/or Chief Operating Officer of the Company, as well as persons who will be appointed to the posts of senior executive management.

#### **66. CHARGE IN FAVOUR OF DIRECTOR FOR INDEMNITY**

If the Director or any person, shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed, any mortgage, charge or security over or affecting the whole or part of the assets of the Company by way of indemnity to secure the Directors or other persons so becoming liable as aforesaid from any loss in respect of such liability.

#### **67. THE SECRETARY**

- (a) The Board may, from time to time, appoint any individual as Secretary of the Company to perform such functions, which by the Act or these Articles for the time being of the Company are to be performed by the Secretary and to execute any other duties which may from time to time be assigned to him by the Board. The Board may confer upon the Secretary so appointed any powers and duties as are not by the Act or by these Articles required to be exercised by the Board and may from time to time revoke, withdraw, alter or vary all or any of them. The Board may also at any time appoint some individual (who need not be the Secretary), to maintain the Registers required to be kept by the Company.
- (b) The Secretary shall be an individual responsible to ensure that there shall be no default, non-compliance, failure, refusal or contravention of any of the applicable provisions of the Act, or any rules, regulations or directions which the Company is required to conform to or which the Board of the Company are required to conform to and shall be designated as such and be the officer in default.

#### **68. DIRECTORS' & OFFICERS' LIABILITY INSURANCE**

Subject to the provisions of the Act and Law, the Company shall procure, at its own cost, comprehensive Directors and officers liability insurance for each Director which shall not form a part of the remuneration payable to the Directors in the circumstances described under Section 197 of the Act: -

- (a) on terms approved by the Board;
- (b) which includes each Director as a policyholder;
- (c) is from an internationally recognised insurer approved by the Board; and

#### **69. SEAL**

The Company Seal of the Company, if required to be affixed, shall be affixed to any instrument(s), in the presence of any one of Directors of the Company and/or Chief Financial Officer and/or Company Secretary and/or Compliance officer of the Company or such person(s) as the Board or aforesaid person may appoint for the purpose and who shall sign every instrument to which the Seal of the Company is so affixed in their presence.

Notwithstanding anything contained in the clause, the use of the Seal of the Company shall not be a mandatory requirement for authenticating any instrument or documents by the Company.

#### **70. DIVIDENDS AND RESERVE**

- (a) The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

- (b) Subject to the provisions of section 123, the Board may from time to time pay to the Shareholders such interim dividends as appear to it to be justified by the profits of the Company.
- (c)
  - (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, thinks fit.
  - (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (d)
  - (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
  - (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- (e) The Board may deduct from any dividend payable to any Shareholder all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- (f)
  - (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Shareholders, or to such person and to such address as the holder or joint holders may in writing direct.
  - (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (g) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- (h) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- (i) No dividend shall bear interest against the Company.

#### **71. RELATED PARTY TRANSACTIONS**

- (a) Except with the consent of the Board or the Shareholders, as may be required in terms of the provisions of Section 188 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014, no Company shall enter into any contract or arrangement with a 'related party' with respect to:
  - (i) sale, purchase or supply of any goods or materials;
  - (ii) selling or otherwise disposing of, or buying, property of any kind;
  - (iii) leasing of property of any kind;

- (iv) availing or rendering of any services;
  - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
  - (vi) such Director's or its relative's appointment to any office or place of profit in the Company, its subsidiary Company or associate Company; and
  - (vii) underwriting the subscription of any securities or derivatives thereof, of the Company: without the consent of the Shareholders by way of an Ordinary Resolution in accordance with Section 188 of the Act.
- (b) No Shareholder of the Company shall vote on such Ordinary Resolution, to approve any contract or arrangement which may be entered into by the Company, if such Shareholder is a related party.
  - (c) Nothing in this Article shall apply to any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis or to transactions entered into between the Company and its wholly owned subsidiaries whose accounts are consolidated with the Company and placed before the Shareholders at a Shareholders Meeting for approval.
  - (d) The Director, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.
  - (e) The audit committee of the Board may provide for an omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed by applicable law.
  - (f) The terms "office of profit" and "arm's length basis" shall have the meaning ascribed to them under Section 188 of the Act.
  - (g) The term 'related party' shall have the same meaning as ascribed to it under the Act.
  - (h) The compliance of the Companies (Meetings of Board and its Powers) Rules, 2014 shall be made for the aforesaid contracts and arrangements.

Subject to the Provision of Section 188 of Act, Non-Executive Director of the Company will eligible for fees with respect to the Consultancy and Advisory services provided by the Non-Executive Directors to the Company.

## 72. ACCOUNTS

- (a) The Company shall keep at the office or at such other place in India as the Board thinks fit, proper books of Account in accordance with Section 128 the Act.
- (b) Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company the Company shall within (seven days of the decision file with the Register a notice in writing given the full address of that other place.
- (c) The Company shall preserve in good order the Books of Account relating or period of not less eight year preceding the current year together with the vouchers relevant to any entry in such books of Account.
- (d) The Board 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 books or document of the Company except as conferred by law or authorized by the Board.
- (e) The Directors shall from time to time, in accordance with Sections 129, 133 and 134 of the Act, cause to be laid before the Company in General Meeting, such Balance Sheets, profits and loss account and reports as are required by these Sections.

- (f) A Copy of every Balance Sheet and profit and loss account (including the Auditors Report and every other document required by law to be annexed or attached to the Balance Sheet) or a Statement containing salient features of such documents in the prescribed form, as laid down under Section 136 of the Act as the Company may deem fit, shall not less than twenty-one days before the Meeting at which the Balance Sheet and the profit and loss Account are to be laid before the Members, be sent to every person entitled thereto pursuant to the provisions of the Section 136 of the Act provided this Article shall not require a copy of the documents to be sent to any person of whose address the Company is not aware of or to more than one of the joint holders of any shares.

### **73. DOCUMENTS AND NOTICES**

- (a) A document or notice may be given or served by the Company to or on any Shareholder whether having his registered address within or outside India either personally or by sending it by post to him to his registered address.
- (b) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a Shareholder has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due or by cable or telegram and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall be deemed to be effected unless it is sent in the manner intimated by the Shareholder. Such service shall be deemed to have effected in the case of a notice of a meeting, at the expiration of Forty Eight (48) hours after the letter containing the document or notice is posted or after a telegram has been dispatched and in any case, at the time at which the letter would be delivered in the ordinary course of post or the cable or telegram would be transmitted in the ordinary course.
- (c) A document or notice may be given or served by the Company to or on the joint-holders of a Share by giving or serving the document or notice to or on the joint-holder named first in the Register of Shareholders in respect of the Share.
- (d) Every person, who by operation of Law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which previous to his name and address being entered on the register of Shareholders, shall have been duly served on or given to the Person from whom he derives his title to such Share.
- (e) Any document or notice to be given or served by the Company may be signed by a Director or the Secretary or some Person duly authorised by the Board for such purpose and the signature there to may be written, printed or lithographed.
- (f) All documents or notices to be given or served by Shareholders on or to the Company or to any officer thereof shall be served or given by sending the same to the Company or officer at the Office by post under a certificate of posting or by registered post or by leaving it at the Office.
- (g) Where a Document is sent by electronic mail, service thereof shall be deemed to be effected properly, where a member has registered his electronic mail address with the Company and has intimated the Company that documents should be sent to his registered email address, without acknowledgement due. Provided that the Company, shall provide each member an opportunity to register his email address and change therein from time to time with the Company or the concerned depository. The Company shall fulfill all conditions required by Law, in this regard.

### **74. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS**

Subject to the applicable provisions of the Act and these Articles, notice of General Meeting shall be given:

- (a) To the Shareholders of the Company as provided by these Articles.

- (b) To the persons entitled to a share in consequence of the death or insolvency of a Shareholder.
- (c) To the Auditors for the time being of the Company; in the manner authorized by as in the case of any Shareholder of the Company.

#### **75. NOTICE BY ADVERTISEMENT**

Subject to the applicable provisions of the Act, any document required to be served or sent by the Company on or to the Shareholders, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the District in which the Office is situated.

#### **76. UNPAID OR UNCLAIMED DIVIDEND**

- (a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend of SANDHAR TECHNOLOGIES LIMITED".
- (b) Any money so transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-Section (1) of Section 125 of the Act, viz. "Investors Education and Protection Fund".
- (c) No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law. If any Shares stands in the name of two or more Persons, the Person first named in the register shall, as regards payment of dividend or bonus or service of notice and all or any other matters connected with the Company, except voting at meetings be treated as the holders of the Shares but the joint holders of a Share shall be severally as well as jointly liable for the payment of all installments and call due in respect of such Shares and for all the other incidence thereof according to the Company's Regulations.

#### **77. CAPITALIZATION OF PROFITS**

- (a) The Company may in a General Meeting, upon recommendation of the Board, resolve:
    - (i) That it is desirable to capitalise any part of the amounts for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss accounts or ; and
    - (ii) That such sum be accordingly set free for distribution in the manner specified in clause (b) amongst the members who would have been entitled thereto if distributed by way of dividend and in the same proportion.
  - (b) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (c) either in or towards:
    - (i) Paying up any amount for the time being unpaid on shares held by such members respectively ; or
    - (ii) Paying up in full unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportion aforesaid ; or
    - (iii) Partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
  - (c) A share premium account and a capital redemption fund may be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- Powers of Directors for declaration of Bonus**
- (d) Whenever such a resolution as aforesaid shall have been passed by the Board shall :

- (i) make all appropriations and applications of the undistributed profits to be capitalised thereby and issue of fully paid shares or debentures, if any ; and
  - (ii) generally do all acts and things required to give effect thereto.
- (e) The Board shall have full power :
- (i) to make such provision, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit in the case of shares becoming distributable in fraction; and also
  - (ii) to authorise any person to enter on behalf of all the members entitled thereto into an agreement with the Company providing for the allotment to them respectively credited as fully paid up of any further shares or debentures of which they may be entitled upon such capitalisation or as the case may require, for the payment of by the Company on their behalf, by the application thereto of their respective proportion of the profits resolved to be capitalised or the amounts or any part of the amounts remaining unpaid on the shares.
- (f) Any agreement made under such authority shall be effective and binding on all such members.

#### **78. DISTRIBUTION OF ASSETS IN SPECIE OR KIND UPON WINDING UP**

Subject to the provisions of Chapter XX of the Act and rules made thereunder:

- (a) If the Company shall be wound up, the Liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the Shareholders, in specie or kind the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the Liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Share holders or different classes of Shareholders.

#### **79. DIRECTORS' AND OTHERS' RIGHTS TO INDEMNITY**

- (a) Subject to the provisions of Section 197 of the Act every 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 assets of the Company to pay all costs, losses, and expenses (including travelling expenses) which any such Director, officer or employee may incur or becomes liable to by reason of any contract entered into or act or deed done by him or any other way in the discharge of his duties, as such Director, officer or employee.
- (b) Subject as aforesaid, every Director, Manager, Secretary, or other officer/employee of the Company shall be indemnified against any liability, incurred by them or him in defending any proceeding whether civil or criminal in which judgment is given in their or his favour or in which he is acquitted or discharged or in connection with any application under Section 483 of the Act in which relief is given to him by the Court and without prejudice to the generality of the foregoing, it is hereby expressly declared that the Company shall pay and bear all fees and other expenses incurred or incurable by or in respect of any Director for filing any return, paper or document with the Registrar of Companies, or complying with any of the provisions of the Act in respect of or by reason of his office as a Director or other officer of the Company.

#### **80. DIRECTORS ETC., NOT LIABLE FOR CERTAIN ACTS**

Subject to the provisions of Section 197 of the Act, no Director, Manager, Officer or employee of the Company shall be liable for the acts, defaults, receipts and neglects of any other Director, Manager, officer or employee or for joining in any receipts or other act for the sake of conformity or for any loss or expenses happening to the Company through the insufficiency, or deficiency of any security in

or upon which any of the monies of the Company shall be invested or for any loss or damage arising from the bank ruptcy, insolvency or tortuous act of any Person with whom any money(ies), Securities or effects shall be deposited or for any loss occasioned by an error of judgment or oversight on his part, or for any other loss, damage or misfortune whatsoever which shall happen in the execution thereof unless the same shall happen through his own negligence, default, misfeasance, breach of duty or breach of trust.

Without prejudice to the generality foregoing it is hereby expressly declared that any filing fee payable or any document required to be filed with Registrar of Companies in respect of any act done or required to be done by any Director or other Officer by reason of his holding the said office, shall be paid and borne by the Company.

#### **81. INSPECTION BY SHAREHOLDERS**

The register of charges, register of investments, register of Shareholders, books of accounts and the minutes of the meetings of the Board and Shareholders shall be kept at the Office of the Company and shall be open, during Business hours, for such periods not being less in the aggregate than two hours in each day as the Board determines, for the inspection of any Shareholder without charge. In the event such Shareholder conducting inspection of the abovementioned documents requires extracts of the same, the Company may charge a fee which shall not exceed Rupees Ten (10) per page or such other limit as may be prescribed under the Act or other applicable provisions of Law.

#### **82. SECRECY**

- (a) No member shall be entitled to visit or inspect the Company's works without the permission of the Directors or Managing Director or to require discovery of or any information respecting any details 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 or which may relate to the conduct of the business of the Company and which, in the opinion of the Directors, will be inexpedient in the interests of the Company to communicate to the public.
- (b) Every Director, Managing Director, Manager, Secretary, Auditor, trustee, Members of a Committee, Officers, Servant, Agent, Accountant or other person employed in the business of the Company, shall, if so required by the Directors before entering upon his duties, or at any time during his term of office sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of duties except when required so to do by the Board or by any General Meeting or by a Court of Law or by the persons to whom such matters relate and except so far as may be necessary, in order to comply with any of the provisions contained in these Articles.

#### **83. DUTIES OF OFFICERS TO OBSERVE SECRECY**

Every Director, Managing Director, Manager, Secretary, Auditor, trustee, members of committee, Officer, servant, agent, accountant or other persons employed in the business of the Company shall, if so required by the Director before entering upon his duties, or any time during his term of office, sign a declaration pledging himself to observe secrecy relating to all transactions of the Company and the state of accounts and in matters relating thereto and shall by such declaration pledge himself not to reveal any of such matters which may come to his knowledge in the discharge of his official duties except which are required so to do by the Directors or the Auditors or by a resolution of the Company in a General Meeting or by a court of law and except so far as may be necessary in order to comply with any of the provision of these Articles or Law. Nothing herein contained shall affect the powers of the Central Government or any officer appointed by the Government to require or to hold an investigation into the Company's affairs.

**Part-II**

1. The provisions of the Shareholders Agreement dated the 30th March, 2012 (the "Agreement") by and amongst Sandhar Technologies Limited ("the Company") Baby Nova Capital Pte. Limited ("the Investors") and the person set out in Schedule-I ("the Promoters") as named therein shall form part of these Articles and are deemed to be incorporated herein by reference and notwithstanding anything contained herein; in the event of any conflict between the provisions of the Agreement incorporated by reference and the provisions of these Articles, the provisions of the Agreement incorporated by reference shall prevail.

| Names, addresses, occupations and description of subscribers                                                                        | Signature                    | Name, address and description of witness                                                                                                                      |
|-------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. Mr. JAYANT DAVAR</b><br/>S/o SHRI D. N. DAVAR<br/>B-5/82, Safdarjung enclave<br/>New Delhi</p> <p>(Business Executive)</p> | <p>Sd/-<br/>Jayant Davar</p> | <p>I hereby witness the Signatures of all the Subscribers</p> <p>Sd/-<br/>(P. K. TALUJA)<br/>S/o Sh. J. C. Taluja<br/>170, Anand Vihar<br/>Delhi - 110034</p> |
| <p><b>2. SHRI YASH PAL VIJ</b><br/>S/o SHRI C. L. VIJ<br/>2/95, Roop Nagar<br/>Delhi – 110 007</p> <p>(Chartered Accountant)</p>    | <p>Sd/-<br/>Yash Pal Vij</p> |                                                                                                                                                               |
| <p>Dated: the 24th September, 1987<br/>Place : New Delhi</p>                                                                        |                              |                                                                                                                                                               |

IN THE HIGH COURT OF DELHI AT NEW DELHI  
(ORIGINAL JURISDICTION)  
IN THE MATTER OF THE COMPANIES ACT, 1956  
AND  
IN THE MATTER OF SCHEME OF ARRANGEMENT  
BETWEEN  
COMPANY PETITION NO. 437/2002  
CONNECTED WITH  
COMPANY APPLICATION NO. (M) 173/2002  
IN THE MATTER OF Sandhar Locking Devices Ltd.  
having its Regd. Office at  
B-6/1 Commercial Centre,  
Safdarjung Enclave  
New Delhi - 110 029

..... Petitioner  
Transferor Company  
(within the Jurisdiction of this Court)

AND

COMPANY PETITION NO. 438/2002  
CONNECTED WITH  
COMPANY APPLICATION NO. (M) 172/2002  
IN THE MATTER OF Sandhar Auto Components Ltd.  
having its Regd. Office at  
B-6/1 Commercial Center,  
Safdarjung Enclave,  
New Delhi - 110 029

..... Petitioner  
Transferee Company  
(within the Jurisdiction of this Court)

**BEFORE HON'BLE MR. JUSTICE MUKUL MUDGAL**  
**DATED THIS 27<sup>TH</sup> DAY OF FEBRUARY, 2003**

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

The above petitions coming up for hearing on 27/2/2003 for sanction of the scheme of arrangement proposed to be made between M/s Sandhar Locking Devices Ltd. (hereinafter referred to as the transferor company) and M/s Sandhar Auto Components Ltd. (hereinafter referred to as the transferee company), upon reading the said petition, the order dated 3/12/2002 whereby the requirement to convene a meeting of their creditors/shareholders/equity shareholders of the applicant companies for the purpose of considering, and if thought fit, approving, with or without modification, the scheme of arrangement annexed to the affidavits of Sh. Jayant Davar authorized signatories of the Transferor Company and Sh. Gur Prasad Chopra authorized signatories of the Transferee Company filed on the 7<sup>th</sup> day of October 2002 was dispensed with and the publication in the newspapers namely (1) The Statesman (English) (2) Veer Arjun (Hindi) both dated 13/02/2003 each containing the advertisement of the said petitions and upon hearing Sh. D.K. Malhotra with Mr. Rajesh Malhotra, advocates for the petitioner companies and Mr. Dinesh Chand, Deputy Registrar of Companies for the Regional Director, Kanpur and upon reading the affidavit dated 20/02/2003 of Sh. D.C. Nahata Regional Director, Northern Region, Department of Company Affairs, Kanpur on behalf of Central Government, and the objection raised by Regional Director with regard to non-furnishing of no objection certificate from M/s Honda Lock Manufacturing Co. Ltd., Japan, having been rejected by this Court, and these being no investigation proceedings pending in relation to Petitioner companies under Section 235 to 251; of the Companies Act, 1956.

**THIS COURT DOTH HEREBY SANCTION THE SCHEME OF ARRANGEMENT setforth in Schedule-I annexed hereto and DOTH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor Company and Transferee Company and doth approve the Scheme of Arrangement with effect from the appointed date i.e. 1/4/2002.**

**AND THIS COURT DOTH FURTHER ORDER**

1. That all the property, rights and power of the Transferor Company comprised in the die-casting and plastic moulding parts business situated at Plot No. 24, Sector 3, IMT Manesar, Gurgaon - 122015, Haryana as specified in Schedule I of the Transferred undertakings of the Transferor Company specified in the First, Second and Third part of the Schedule of Properties hereto and all other property, rights and powers of the die-casting and plastic moulding Part business of the Transferor company be transferred without further act or deed to the transferee company and accordingly the same shall pursuant to Section 394(2) of the Company Act, 1956 be transferred to and vest in the transferee company subject nevertheless to all charges now affecting the same;

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

3. That all proceedings now pending by or against the die-casting and plastic moulding part division of the Transferor Company be continued by or against the Transferee Company; and

4. That the Transferee Company do without further application allot to such members of the die-casting and plastic moulding part of the Transferor Company as have not given such notice of dissent as is required by clause given in Part II the scheme of arrangement herein the shares in the Transferee Company to which they are entitled under the said arrangement; and

5. That the Transferee Company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration.

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

## **SCHEME OF ARRANGEMENT**

### **BETWEEN**

**SANBHAR LOCKING DEVICES LIMITED**

.....**TRANSFEROR COMPANY**

### **WITH**

**SANBHAR AUTO COMPONENTS LIMITED**

.....**TRANSFeree COMPANY**

**&**

### **THEIR RESPECTIVE SHAREHOLDERS**

|                     |                                                                                                                                                                                                                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>       | <b>Definitions</b>                                                                                                                                                                                                                                                                                                            |
| <b>Part II</b>      | <b>Capital</b>                                                                                                                                                                                                                                                                                                                |
| <b>Part III</b>     | <b>Transfer Of Transferred Undertaking Of<br/>Transferor Company</b>                                                                                                                                                                                                                                                          |
| <b>Part IV</b>      | <b>Issue Of Shares</b>                                                                                                                                                                                                                                                                                                        |
| <b>Part V</b>       | <b>General Terms And Conditions</b>                                                                                                                                                                                                                                                                                           |
| <b>Schedule-I</b>   | <b>Illustrative (And Not Exhaustive) Descriptive List Of the Transferred Undertaking Of<br/>The Transferor Company</b>                                                                                                                                                                                                        |
| <b>Schedule-II</b>  | <b>Illustrative (And Not Exhaustive) Descriptive List Of The Non-Transferred Undertaking Of The<br/>Transferor Company</b>                                                                                                                                                                                                    |
| <b>Schedule-III</b> | <b>Illustrative (But Not Exhaustive) Descriptive List Of Statutory Licenses, Authorizations, Statutory<br/>Rights, Permissions, Approvals, Registrations, No-Objection Certificates Or Consents To Carry On The<br/>Operations In The Transferred Undertaking Of Transferor Company.</b>                                      |
| <b>Schedule-IV</b>  | <b>Illustrative (But Not Exhaustive) Descriptive List Of Joint Statutory Licenses, Authorizations, Statutory<br/>Rights, Permissions, Approvals, Registrations, No-Objection Certificates Or Consents To Carry On The<br/>Operations In The Transferred Undertaking As Well As Non Transferred Undertaking Of Transferor.</b> |
| <b>Schedule -V</b>  | <b>Illustrative (but not exhaustive) descriptive list Motor Vehicles of any nature whatsoever comprised in or<br/>relatable to the Transferred Undertakings of Transferor Company</b>                                                                                                                                         |

## **Part I**

### **A. Definitions**

**1** In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meaning as given to them below:

- (i) "Act" means the Companies Act, 1956 and any amendment and/or reenactment thereof for the time being in force.
- (ii) "Transferor Company" or "SLDL" means Sandler Locking Devices Limited, a Company incorporated under the Companies Act, 1956, and having its Registered Office at B-6/1, Commercial Center, Safdarjung Enclave, New Delhi - 110 029.
- (iii) "Transferee Company" or "SACL" means Sandler Auto Components Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at B-6/1, Commercial Center, Safdarjung Enclave, New Delhi - 110 029.
- (iv) "Appointed Date" means 1<sup>st</sup> April, 2002.
- (v) "Effective Date" means the day on which the last of the sanctions/permissions specified in the Scheme shall have been obtained and a certified copy of the order of the Hon'ble High Court of Delhi at New Delhi made under Section 391 (2) of the Companies Act, 1956 has been filed with the Registrar of Companies, NCT of Delhi & Haryana.
- (vi) "The Scheme" means this scheme of arrangement as approved by the Board of Directors subject to such modification as the Hon'ble High Court of Delhi at New Delhi may impose or the Transferor Company and Transferee Company may prefer and the Hon'ble High Court of Delhi may approve.
- (vii) "Transferred Undertaking of the Transferor Company or Transferred Undertaking" means and includes all of the undertaking of the Transferor Company as illustratively listed out and marked Schedule I hereto and shall mean and include:-
  - a) all the assets including freehold and/or leasehold assets and movable assets together with all investments, all present and future liabilities, debts, claims and/or receivables and undertaking of the Transferred Undertaking of the Transferor Company as per the records of the Transferor Company.
  - b) all licenses, approvals, permissions, consents, registrations, benefits and certifications, rights, entitlements, agreements and all other rights and facilities of every kind, nature and description whatsoever of the Transferred Undertaking of the Transferor Company.
  - c) all application monies, advance monies of the Transferred Undertaking of the Transferor Company.
  - d) all the debts, liabilities, duties, responsibilities, guarantees and obligations of the Transferred Undertaking of the Transferor Company as on the Appointed Date.
  - e) all immovable assets including all freehold, leasehold, and any other title, interest or right in such immovable assets of the Transferred Undertaking of the Transferor Company as per the records of the Transferor Company.
- (viii) "Non Transferred Undertaking of the Transferor Company" means all of the undertaking of Transferor Company other than the Transferred Undertaking of the Transferor Company including those illustratively listed out and marked as Schedule II.

**B. Preamble**

Sandhar Locking Devices Limited the Transferor Company, was incorporated in 1987. Mr. Jayant Davar, a technocrat, promoted the Company. The Company started its operations by manufacturing Automotive Locks/Switches (For Two Wheeler Segment) and supplying them to various Two Wheelers Manufacturers as an Original Equipment Manufacturer (OEM). The Automotive Locks/Switches Division is situated at 3, HSIDC Industrial Area, Delhi - Gurgaon Road, Gurgaon - 122 015 Haryana.

In the year 1992 the Company diversified into manufacturing of Automobile Rear View Mirrors. The Mirror Division is located at Village Dhanuapur, P.O. Badshapur, Gurgaon, Haryana - 122101.

Thereafter, in the year 2001 the Company further diversified into manufacturing of metal die casting components and plastic moulding parts. The die casting division is located at Plot No. 24, Sector 3, DMT Manesar, Gurgaon - 122 015, Haryana.

All the divisions of the Company are situated at separate locations.

The Transferor Company has also entered into a Technical Knowhow Agreement with M/s Honda Lock Manufacturing Company Limited of Japan.

Sandhar Auto Components Limited, the Transferee Company, has not started its operations yet.

The die-casting and plastic moulding parts division of Transferor Company is a backward integration and the components/moulds manufactured by this division are supplied to various other divisions of the Company in addition to sale to outside parties.

The management of the Transferor Company feels that the restructuring of the die-casting and plastic moulding parts division into a separate Company shall promote a culture of independent working, accountability, independent business development and growth.

At present the die-casting and plastic moulding parts division is supplying components to other divisions of the Transferor Company in addition to sale to outside parties. Subsequent to the proposed demerger, the Transferred Undertaking will be able to focus on its independent growth and business development. It can tap various business opportunities outside the existing divisions of the Transferor Company.

The management has got plans for the Transferred undertaking to specialize in auto components comprising complex design, specific custom built zinc and aluminum castings and injection moulding plastic parts of various specifications. The said plans can be implemented after the proposed Demerger with a focused and independent engineering and design development team.

The business of the Transferred Undertaking shall become more focussed and less dependent on the Transferor Company.

**Part II**

The present capital structure of the Transferor and the Transferee Companies is as follows:-

**(A) Transferor Company**

The present capital structure of the Transferor Company as at 31<sup>st</sup> July, 2002 is as follows:-

| <b><u>SHARE CAPITAL</u></b>               | <b><u>AS AT 31<sup>st</sup> JULY, 2002</u></b> |
|-------------------------------------------|------------------------------------------------|
|                                           | <b>(AMOUNT IN RS.)</b>                         |
| <b>AUTHORIZED CAPITAL</b>                 |                                                |
| 47,50,000 Equity Shares of Rs.10/- Each   | 4,75,00,000                                    |
| 25,000 Preference Shares of Rs.100/- Each | 25,00,000                                      |

**ISSUED SUBSCRIBED & PAID UP CAPITAL**

19,17,640 Equity Shares of Rs. 10/- Each

1,91,76,400

20,000 Preference Shares of Rs. 100/- Each

20,00,000

**(A) Transferee Company**

The present capital structure of the Transferee Company as at 31<sup>st</sup> July, 2002 is as follows:-

**SHARE CAPITAL**

**AS AT 31<sup>st</sup> JULY, 2002**

**(AMOUNT IN RS.)**

**AUTHORIZED CAPITAL**

10,00,000 Equity Shares of Rs. 10/- Each

1,00,00,000

**ISSUED SUBSCRIBED & PAID UP CAPITAL**

22,000 Equity Shares of Rs. 10/- Each

2,20,000

IN CONSIDERATION OF THE RECIPROCAL PROMISES AND THE ARRANGEMENT, THE TRANSFEROR COMPANY AND TRANSFEE COMPANY AND THEIR RESPECTIVE SHAREHOLDERS HAVE PROPOSED THE SCHEME OF ARRANGEMENT AS SET OUT IN PARTS III TO V BELOW.

**PART III**

**TRANSFER OF TRANSFERRED UNDERTAKING OF  
TRANSFEROR COMPANY**

**A. Transfer of Transferred Undertaking of Transferor Company**

1. (a) With effect from the Appointed Date the Transferred Undertaking of the Transferor Company shall pursuant to Section 394 (2) of the Act and without any further act or deed be transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company so as to become, as and from the Appointed Date, the estate, assets, rights, title and interest of the Transferee Company subject to Clause 7 of Part V.
- (b) In respect of such of the assets of the Transferred Undertaking of the Transferor Company as are moveable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, or transfer by vesting and recordal pursuant to this Scheme, the same shall stand transferred and vested by the Transferor Company with effect from the Appointed Date and shall become the property and an integral part of the Transferee Company.
2. (a) Upon the coming into effect of this scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferred Undertaking of the Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favor of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.
- (b) Upon the coming into effect of this Scheme and subject to the provisions of the Scheme, all permits, quotas, rights, entitlements, licenses, benefits including those relating to Trademarks, tenancies, patents, copyrights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Transferred Undertaking of the Transferor Company to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or having effect immediately before the Effective

Date, shall be and remain in full force and effect in favor or against or in favor 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 has been a party or beneficiary or obligee thereto.

- (c) Any statutory licenses, authorizations, statutory rights, privileges, permissions, approvals, registrations relating to Sales Tax (Local and Central), Sales Tax Deferment Benefit, Excise, Factory License, Provident Fund, Gratuity, ESI, DGFT, Air & Water Pollution, DG Set Permission, Permission for storage of Oil & Diesel, Importer Exporter Code No., IEM registered with Secretariat for Industrial Assistance, Ministry of Industry, Income Tax Registration (PAN, TDS Registration etc.) or other registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertaking of the Transferor Company as illustratively listed out in Schedule III, shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned therewith without levying any charge, duty or fees in favour of the Transferee Company upon the vesting and transfer of the Transferred Undertaking of Transferor Company pursuant to this scheme. Any statutory licenses, authorizations, statutory rights, permissions, approvals, Sales Tax, Sales Tax Deferment Benefit registration or other registrations, no-objections, certificates or consents as are held by Transferor Company jointly for the Transferred Undertaking and the Non Transferred Undertaking to carry on the operations of the Transferred Undertaking of the Transferor Company and as illustratively listed out in Schedule IV hereto shall be deemed to constitute separated statutory licenses, authorizations, statutory rights, permissions, approvals, sales tax or other registrations, no-objections, certificates or consents and the relevant or concerned statutory authorities and licensors etc., as applicable shall endorse and/or mutate and/or record the separation, without levying any charge, duty or fees, upon the filing of Scheme as sanctioned with such authorities and licensors etc., as applicable after the same becomes effective, so as to empower and facilitate the continuation of operations of the Transferred Undertaking of the Transferor Company and the Non Transferred Undertaking in the Transferee Company and Transferor Company respectively without any hindrance or let from the appointed date.
- (d) The Transferee Company at any time after the coming into effect of this scheme in accordance with provisions contained hereto, if so required under any law or otherwise, will execute deeds of confirmation or other writings or arrangements with any party to any contract or arrangement in relation to the Transferred Undertaking of the Transferor Company to which the Transferor Company is a party in order to give formal effect to above provisions. Transferor Company will, if necessary, also be a party to the above. Transferee Company shall be deemed to be authorized to execute any such writings on behalf of Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of Transferor Company.
3. Upon the coming into effect of this Scheme, the debts, liabilities and obligations of Transferor Company, including those arising out of guarantees executed by Transferor Company relating to the Transferred Undertaking of the Transferor Company, shall without any further act or deed be and stand transferred to Transferee Company and shall become the debts and liabilities and obligations of Transferee Company which it undertakes to meet, discharge and satisfy.
4. (a) All legal proceedings by or against the Transferor Company in respect of the Transferred Undertaking under any statute or otherwise, whether pending on the Appointed Date or which may be instituted in future, in respect of any matter arising before the Effective Date shall be continued and enforced by or against the Transferee Company after the Effective Date. If any proceedings are initiated against the Transferor Company in respect of the Transferred Undertaking after the Appointed Date, then Transferor Company shall defend the same in accordance with the advice of Transferee Company and at the cost of Transferee Company and the latter shall reimburse and indemnify Transferor Company against all liabilities and obligations incurred by Transferor Company in respect thereof.
- (b) Upon the Scheme becoming effective, Transferee Company undertakes to have such legal or other proceedings initiated by or against the Transferor Company referred to in sub clause (a) above transferred in its name and to have the same continued, prosecuted, enforced by or against Transferee Company to the exclusion of Transferor Company. Transferee Company also undertakes to deal with all legal or other proceedings, which may be initiated by or against Transferor Company or Transferee Company after the Effective Date relating only to the Transferred Undertaking of Transferor Company in respect of the period upto the Effective Date, in its own name and account and to the exclusion of Transferor Company and further undertakes to pay all amounts including interest, penalties, damages, etc., which the

Transferor Company may be called upon to pay or secure in respect of any liability or obligation relating to the Transferred Undertaking of Transferor Company for the period upto Effective Date and any reasonable costs incurred by Transferor Company in respect of such proceedings started by or against it relating to the period upto the Effective Date upon submission of necessary evidence by Transferor Company to Transferee Company for making such payment.

5. With effect from the Appointed Date and upto and including the Effective Date:-

- (i) Transferor Company shall be deemed to have been carrying on all operations and activities relating to the Transferred Undertaking of Transferor Company on behalf of the Transferee Company and stand possessed of the properties so to be transferred for and on account of and in trust for the Transferee Company; and
- (ii) all profits accruing to the Transferor Company (including taxes, if any, thereon) or losses arising or incurred by it relating to the Transferred Undertaking of the Transferor Company shall for all purposes, be treated as the profits, taxes or losses as the case may be of Transferee Company.

6. Transferor Company hereby undertakes from the Appointed Date upto and including the Effective Date to carry on its operations relating to Transferred Undertaking of Transferor Company with proper prudence and agree, without the prior written consent of Transferee Company not to alienate, charge or otherwise deal with or dispose of the Transferred Undertaking of Transferor Company or any part thereof (except in the ordinary course of business) or undertake substantial expansion of its existing operations pertaining to Transferred Undertaking of Transferor Company.

7. (a) All employees of Transferor Company engaged in the Transferred Undertaking as on the Effective Date shall as and from such date become employees of Transferee Company with the benefit of continuity of services on same terms and conditions without any breach or interruption of services. In regard to Provident Fund, or any other special fund created with Regional Provident Commissioner or existing for the benefit of such employees of Transferor Company upon the Scheme becoming effective. Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the obligation to make contributions to such schemes or funds. The existing Provident Fund created by Transferor Company for its employees including employees of Transferred Undertaking shall be continued for the benefit of such employees and employees of Non Transferred Undertaking of the Transferor Company on the same terms and conditions with Regional Provident fund Commissioner. With effect from Effective Date Transferee Company shall make necessary contributions for such transferred employees of Transferred Undertaking of Transferor Company and deposit the same in Provident Fund with Regional Provident Fund Commissioner of Transferor Company until Transferor Company or its trustees for such funds, transfer such portions of Provident Fund with Regional Provident fund Commissioner relating to the employees of the Transferred Undertaking of the Transferor Company into the Provident Fund or the trustees of such funds set up by the Transferee Company, as may be applicable. It is the aim and intent of the Scheme that all the rights, duties, powers, liabilities, obligations of the Transferred Undertaking of the Transferor Company in relation to such scheme of funds shall become those of Transferee Company. It is clarified that the services of all transferred employees of Transferor Company to Transferee Company will be treated as having been continuous for the purposes of the aforesaid schemes or funds.

- (b) The Transferee Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labor union/employees by the Transferor Company in relation to its Transferred Undertaking. The Transferee Company agrees that for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits, the past service of such employees with Transferor Company shall also be taken into account and agree and undertakes to pay the same as and when payable.

8. The transfer and vesting of properties and liabilities of the Transferred Undertaking of the Transferor Company to the Transferee Company and its continuance of the proceedings by or against the Transferee Company under Clause 4 hereof shall not affect any transaction or proceedings already completed by Transferor Company on and from the Appointed Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

9. Subject to other provisions in this scheme, all contracts, business/assets purchase agreements, memorandum of understanding, memorandums of agreements, memorandum of agreed points, letters of agreed points, arrangement or undertakings whether written or otherwise, contracts, lease rights, deeds, bonds, other agreements and instruments of whatsoever nature relating to the Transferred Undertaking of Transferor Company to which the Transferor Company is a party or having effect immediately before the Effective Date, shall remain in full force and in effect against and in favor of the Transferee Company and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company has been a party thereto.
10. Upon the coming into effect of the scheme, all Motor Vehicles of any nature, whatsoever comprised in or related to the Transferred Undertaking of the Transferor Company including those illustratively listed out in Schedule V hereto, shall vest in the Transferee Company and the appropriate Government and Registration Authorities shall mutate and register the said vehicles in the name of the Transferee Company as if the vehicles had originally been registered in the name of Transferee Company without levying any fees, charges, duties, taxes or levies whatsoever.
11. In accordance with the Modvat/Cenvat framed under the Central Excise Act, 1944 as are prevalent at the time of the sanction of the Scheme, the unutilized credits relating to Excise duties paid on inputs/capital goods lying to the account of Transferred Undertaking of Transferor Company in the RG 23A and RG 23C Registers shall be permitted to be transferred to the credit of the Transferee Company, as if originally, all such Modvat/Cenvat Credits were lying in the RG 23A and RG 23C Registers of Transferee Company. The Transferee Company shall be entitled to set off all such unutilized Modvat/Cenvat Credits as aforesaid, against the Excise Duty payable by it.
12. The Transferee Company shall be entitled to use all the material relating to the Transferred Undertaking of the Transferor Company and lying unused and Transferor Company is entitled to use as on Appointed Date.
13. The Transferee Company is authorized to advise any Statutory or Regulatory Authorities, Bodies, Offices of the sanction of scheme even prior to its becoming effective for enabling the changes to be made/noted with effect from the Effective Date.
14. The Transferred Undertaking of the Transferor Company is entitled to various benefits and Incentive Schemes and Policies and pursuant to this Scheme, it is declared that benefits under all such Incentive Schemes and Policies shall be transferred to and vested in the Transferee Company.
15. The Transferor Company is entitled to various benefits under Vendor Agreement from various customers enabling the Transferor Company to do business with such customers pursuant to such Vendor Agreement and pursuant to this Scheme it is declared that the benefits under vendor approval from various customers enabling the Transferor Company to do business with such customers, shall stand and be transferred to and vested in the Transferee Company as if all such Vendor Approval were in fact issued/given to the Transferee Company instead of Transferor Company by such customers.

#### **PART IV**

##### **ISSUE OF SHARES**

- (a) Upon coming into effect of the Scheme and upon the vesting and transfer of the Transferred Undertakings of the Transferor Company into the Transferee Company herein, the Transferee Company shall fix a record date for completion of all allotments to the shareholders of the Transferor Company with effect from the Effective Date, as may be applicable, existing as on the record date as provided herein and without any further act or deed, issue and allot 10 equity shares of the face value of Rupees 10/- each at par credited as fully paid up as on the Effective Date for every 42 fully paid shares held by the shareholders of Transferor Company;
- (b) All equity shares issued and allotted in terms hereof shall rank pari passu in all respects from the date of their allotment in terms of the Scheme with the existing equity shares of the Transferee Company.

(c) Upon this Scheme becoming effective and subject to the above provisions, the Shareholders of the Transferor Company shall receive new share certificates of the Transferee Company, reflecting the share capital of the Transferee Company as on the Effective Date of the Scheme upon receiving intimation of the Record Date for allotments.

(d) (i) The Transferee Company shall, upon this Scheme becoming effective, record the assets and liabilities comprised in the Transferred Undertaking of the Transferor Company at their respective book values thereof as appearing in the books of the Transferor Company at the close of the business of the day immediately preceding the Appointed Date.

(ii) Upon this Scheme becoming effective, the Transferee Company shall credit to Share Capital account in its books of account, the aggregate face value of the new shares issued by it to the members of the Transferor Company pursuant to this Scheme.

(iii) The excess, if any, of the value of the assets over the value of the liabilities of the Transferred Undertakings of the Transferor Company vested in the Transferee Company upon this Scheme becoming effective as recorded in the books of accounts of the Transferee Company shall, after adjusting the aggregated face value of the new shares issued by the Transferee Company to the members of the Transferor Company (pursuant to this Scheme) be credited to the Reserve Account in the books of the Transferee Company. However, if there is any deficit in the value of the assets over the value of liabilities, the same shall be debited to the Reserve Account in the books of the Transferee Company and deficit balance, if any shall be treated as Goodwill in the books of Transferee Company.

(iv) Surplus, in the value of the assets over the liabilities of the Transferor Company, transferred to Transferee Company, pursuant to this Scheme shall be recorded in the Transferor Company by way of debiting to the Reserve Account of the Transferor Company and balance, if any, shall be either treated as a goodwill in the books of the Transferor Company, or, alternately the issued and paid-up share capital of the Transferor Company shall stand reduced to the extent of such balance by cancellation of such number of shares totalling to the amount of such balance, as the Transferor Company may choose/determine upon this Scheme becoming effective.

In the event of any reduction of issued and paid-up share capital by cancellation of shares on a pro-rata basis, in terms as provided hereinabove, the Transferor Company, as applicable, shall not be required to add/use the words 'and reduced' as part of the corporate name pursuant to the sanction of this Scheme by the Hon'ble High Court of Delhi and this Scheme becoming effective.

Provided that, in the event of any reduction of issued and paid-up share capital by cancellation of shares on a pro-rata basis, in terms as provided hereinabove, such cancellation of shares shall be done only upto the value representing the face value of the shares of the Transferor Company. Any value being less than the face value of the shares of the Transferor Company i.e. fractional values, shall be debited to the General Reserve of the Transferor Company, as applicable.

Provided further that, notwithstanding anything provided elsewhere in this Scheme, in the event of any goodwill being created in the books of the Transferor Company, in terms as provided herein, the accounts of the Transferor Company herein, as on the Appointed Date, as reconstructed shall be in accordance with and as contained in Reference Balance Sheet of the Transferor Company annexed hereto and marked as Exhibit - A, as on the Appointed Date.

It is clarified and declared that any reduction of capital in terms as provided hereinabove shall not constitute distribution of dividend or share capital allotted to the shareholders of Transferor Company.

(vii) Notwithstanding the above, the Transferee and Transferor Company, in consultation with the Auditors, are authorised to account any of these balances in any manner whatsoever as may be deemed fit by them.

## **PART V**

### **GENERAL TERMS AND CONDITIONS**

1. The Transferee Company shall be entitled to use any trade names and trademarks owned by the Transferor Company in accordance with the terms and conditions as may be agreed to between the parties from time to time.
2. The accounts of each of the companies herein, as on the Appointed Date, as reconstructed shall be in accordance with the terms of the Scheme and as contained in Reference Balance Sheets of the Transferor Company and the Transferee Company, respectively, annexed hereto and marked as Exhibits - A & B, respectively, as on the Appointed Date to this Scheme.
3. (a) The Transferor Company and the Transferee Company are expressly permitted to revise their Income Tax returns and related TDS certificates and the right to claim refunds, deductions, set-offs, advance tax credits, etc. upon this Scheme becoming effective including the right of the Transferee Company to take any credits/ deductions/set-offs arising out of any carried forward losses and/or unused depreciation comprised in the Transferred Undertakings of the Transferor Company as reflected in the reference Balance Sheet of the Transferee Company and have expressly reserved the right to make such revisions, as necessary, in the Income Tax returns and related TDS certificates and the right to claim refunds, deductions, set-offs, advance tax credits etc. pursuant to the sanction of the present Scheme of Arrangement by the Hon'ble High Court of Delhi and such scheme becoming effective.
- (b) The Transferor Company and the Transferee Company are expressly permitted to revise their Sales Tax returns (both CST & State ST) to claim refund, credits etc. for set-off of any sales tax paid on sale/transfer of any goods between either of the Transferred Undertaking & Non Transferred Undertaking of the Transferor Company & the Transferee Company (inter-unit sales/transfers), as applicable with effect from the Appointed Date and have expressly reserved the right to make such revisions in the Sales Tax returns and the right to claim refund, set-off, credits etc. pursuant to the sanction of the present Scheme of Arrangement by the Hon'ble High Court of Delhi and the Transferred Undertaking of the Transferor Company being vested into the Transferee Company with effect from the Appointed date as provided for in this Scheme upon this Scheme becoming effective.
- (c) In accordance with the Haryana General Sales Tax Act, 1973 and the Rules framed thereunder, as are prevalent at the time of the sanction of the Scheme, the unutilized credits relating to Purchase Tax paid on the purchases of goods by the Transferor Company lying to the account of the Transferred Undertakings shall be permitted to be transferred to the Credit of the Transferee Company, as if all such Purchase Tax Credits were lying in the books of the Transferee Company. The Transferee Company shall be entitled to set off all such unutilized Purchase Tax Credits, as aforesaid, against the Sales Tax payable by it under the Haryana General Sales Tax Act, 1973 and the Rules framed there under.
4. Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, backward area sales tax remissions, holidays, incentives, benefits, concessions and other authorizations shall stand vested by the order of sanction of this Hon'ble Court, the Transferor Company and the Transferee Company, as applicable, shall file the relevant intimations, for the record of the statutory authorities who shall take them on file, pursuant to the vesting orders of the sanctioning court, viz. the Hon'ble High Court of Delhi.
5. The issue and allotment of shares under the provisions of this Scheme will be made subject to the approval of such statutory and governmental authorities as required.
6. The Transferor Company and the Transferee Company shall make necessary applications before the Hon'ble High Court of Delhi for the sanction of this Scheme under the provisions of Section 391 to 394 of the Act. All disputes and differences arising out of this Scheme shall be subject to the jurisdiction of the High Court of Delhi only.

1 This Scheme is conditional upon the following approvals/ events and the Scheme shall be deemed to be effective on obtaining the last of the following approvals and the occurrence of the last of the following events:-

- i. the approval of the Scheme by the requisite majority of the members and creditors of the Transferor Company and the Transferee Company, as the case may be, as required under Section 391 of the Act.
- ii. The sanction of the Scheme by the High Court of Delhi under Section 391 and 394 of the Act and other applicable provisions of the Act, Rules and Regulations, as the case may be.
- iii. Certified copies of the orders being filed with the Registrar of Companies, NCT of Delhi & Haryana.

**SCHEDULE-I**  
**Illustrative (and not exhaustive) descriptive list of**  
**The Transferred Undertaking of the Transferor Company**

All of the undertakings of the Transferor Company comprised in the die-casting and plastic moulding parts businesses of the Transferor Company situated at/standing upon, Plot No. 24, Sector 3, BMT Manesar, Gurgaon - 122 015, Haryana alongwith all rights, titles and interest in all movable, immovable and incorporeal assets whether free hold, lease hold or licenses and also all rights and entitlements comprised in the said unit/undertaking of the Transferor Company including all statutory licenses, approvals and registrations (as may be necessary to operate the unit/undertaking) and all rights in any licenses / permissions issued by any government authority to set up and operate the said unit/undertaking of the Transferor Company either directly or indirectly through any other person or entity and also rights of ownership whether own or license in relation to any trademark, trading style and any other intellectual property of any nature whatsoever except the Non-Transferred Undertakings of the Transferor Company as provided in this Scheme.

- 1 The immovable property situated at Plot No. 24, Sector 3, BMT Manesar, Gurgaon - 122015, including all its rights and entitlements, on the said scheme becoming effective, shall stand transferred to the Transferee Company without any further act or deed and in the manner, as if the said plot of land was originally allotted to the Transferee Company. Further the industrial estate development agency i.e. Haryana State Industrial Estate Development Corporation shall, immediately on the scheme becoming effective, transfer the abovementioned immovable property in the name of Transferee Company without levy of any fees, duty or charge including transfer fees and also the Registrar of Sub-Assurance, Distt. Gurgaon shall, immediately on the scheme becoming effective, effect the registration of such transfer and mutation of immovable property in the name of Transferee Company without levy of any fees, duty or charge including transfer fees, stamp duty, registration fees, etc.

**SCHEDULE-II**  
**Illustrative (and not exhaustive) descriptive list of**  
**the Non-Transferred Undertaking of the Transferor Company**

All of the undertaking of the Transferor Company comprised in the business relating to the Automotive Locks/Switches Divisions as situated at J. HSIDC Industrial Area, Delhi - Gurgaon Road, Gurgaon - 122 015 Haryana and Automobile Rear View Mirrors Division located at Village Dhumspur, P.O. Redshapur, Gurgaon, Haryana - 122 101 alongwith all rights, titles and interest in all immovable, movable and incorporeal assets, whether free hold, lease hold and license and also all rights and entitlements comprised in the said businesses of Transferor Company including all staff, statutory licenses, benefits, approvals and registrations (as may be necessary to operate the said businesses or otherwise) and all rights in any license, permission issued by any governmental authority to set up and operate any of the said businesses either directly or through any other person or entity and also all rights of ownership whether owned or licensed in relation to any trademark, trading style and any other intellectual property of any nature whatsoever relating to the businesses of Automotive Locks/Switches Divisions & Automobile Rear View Mirrors Division.

**SCHEDULE-III**

Illustrative (but not exhaustive) descriptive list of statutory licenses, authorizations, statutory rights, permissions, approvals, registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertaking of Transferor Company.

| Nature               | Authorities                                                                                           | Reg. No.                                                       | Date of Registration |
|----------------------|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------|
| PF                   | Regional Provident Fund Commissioner,<br>Haryana<br>Bhavishya Nidhi Bhawan, Sector-15 A,<br>Faridabad | HR/6277                                                        |                      |
| Central Sales Tax    | Excise & Taxation Officer Assessing<br>Authority, Gurgaon                                             | 1922451                                                        | 08.04.2001           |
| Excise               | Superintendent, Central Excise Range IV-B,<br>District Gurgaon                                        | AAACS0512J XM 003;<br>Location Code 510104                     | 05.12.2001           |
| Air Pollution        | Haryana State Pollution Control Board                                                                 | HSPCB/AIR<br>consent/2001/45                                   | 16-04-2002           |
| Water Pollution      | Haryana State Pollution Control Board                                                                 | HSPCB/WATER<br>consent/2001/43                                 | 16-04-2002           |
| Factory License      | Chief Inspector of Factories                                                                          | Applied For                                                    | N/A                  |
| DG Set<br>Permission | Executive Engineer, Electrical Inspectorate,<br>Haryana Faridabad                                     | Memo No. 7115 of<br>10/10/2001 & Memo No.<br>2007 of 10/9/2001 | 10.09.2001           |

**SCHEDULE-IV**

Illustrative (but not exhaustive) descriptive list of joint statutory licenses, authorizations, statutory rights, permissions, approvals, registrations, no-objection certificates or consents to carry on the operations in the Transferred Undertaking as well as non Transferred Undertaking of Transferor Company

| Nature                    | Authorities                                                                | Reg. No.   | Date of Registration |
|---------------------------|----------------------------------------------------------------------------|------------|----------------------|
| Importer Exporter<br>Code | Govt. of India, Ministry of Commerce;<br>Director General of Foreign Trade | 0391028549 | 03.12.1991           |
| PAN                       | Income Tax Officer<br>Directorate of Income Tax                            | AAACS0512J | 19.12.1995           |

**SCHEDULE-V**

Illustrative (but not exhaustive) descriptive list Motor Vehicles of any nature whatsoever comprised in or relating to the Transferred Undertakings of Transferor Company

| Sl. NO. | PARTICULARS             |
|---------|-------------------------|
| 1.      | Swraj Marke HR-55A-8296 |
| 2.      | Maruti Van HR-55-9382   |

## Sandhar Locking Devices Limited

### Part-I

**All properties/premises standing upon Plot No. 24, Sector - 3, IMT  
Manesar, Gurgaon - 122 015 (Haryana)**

(Short description on the leasehold Property comprised in the Transferred Undertaking of the Transferor Company)

### Part - III

NIL

**Dated this 27th Day of February, 2003.**  
**(By order of Court)**

**Sd/-**  
**Registrar (Admn. JUAD)**

**Sd/-**  
**Registrar (Admn. JUAD**

1000

收稿日期:2002-03-22;修回日期:2002-05-20

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

AND  
IN THE MATTER OF SCHEME OF AMALGAMATION  
OF  
COMPANY PETITION NO. 98/2006  
CONNECTED WITH

COMPANY APPLICATION (M) NO. 66/2006  
IN THE MATTER OF M/s. Sandhar Auto Components Ltd. *For Private Use*  
having its Regd. Office at *Exhibit 110029*  
B-6/1, Commercial Center,  
Safdarjung Enclave, New Delhi-110029  
Petitioner/Transferor Company No. 1

IN THE MATTER OF M/s. SLD Auto Ltd.,  
having its Regd. Office at  
B-5/82, Safdarjung Enclave,  
New Delhi-110029  
Petitioner/Transferor Company No. 2

IN THE MATTER OF M/s. Sandhar Engineering Industries Pvt. Ltd.,  
having its Regd. Office at  
B-5/82, Safdarjung Enclave,  
New Delhi-110029  
Petitioner/Transferor Company No. 3

IN THE MATTER OF M/s. Adeep Locks Ltd.,  
having its Regd. Office at  
B-6/1, Commercial Center,  
Safdarjung Enclave, New Delhi-110029  
Petitioner/Transferor Company No. 4

IN THE MATTER OF M/s. Adeep Roloforms Ltd.,  
having its Regd. Office at  
B-6/1, Commercial Center,  
Safdarjung Enclave, New Delhi-110029  
Petitioner/Transferor Company No. 5

IN THE MATTER OF M/s. Agrim Automach Pvt. Ltd.,  
having its Regd. Office at  
B-6/1, Commercial Center,  
Safdarjung Enclave, New Delhi-110029  
Petitioner/Transferor Company No. 6

WITH  
IN THE MATTER OF M/s. Sandhar Technologies Ltd.,  
having its Regd. Office at  
B-6/1, Commercial Center,  
Safdarjung Enclave, New Delhi-110029  
Petitioner/Transferee Company

BEFORE HON'BLE MR. JUSTICE SANJIV KHANNA  
DATED THIS 26TH DAY OF MAY, 2006

ORDER UNDER SECTION 394 OF THE COMPANIES ACT, 1956

The above petition coming up for hearing on 26/5/06 and the order modified on 31/5/06 and 17/7/06 for sanction of scheme of amalgamation proposed to be made of M/s. Sandhar Auto Components Ltd., M/s. SLD Auto Ltd., M/s. Sandhar Engineering Industries Pvt. Ltd., M/s. Adeep Locks Ltd., M/s. Adeep Roloforms

*SL*

Ltd. and M/s. Agrim Automach Pvt. Ltd. (hereinafter referred to as the Transferor Companies) with M/s. Sandhar Technologies Pvt. (hereinafter referred to as the Transferee Company), upon reading the said petition, the order dt. 5/4/06 whereby the requirement of convening and holding the meetings of the shareholders and creditors of Transferor and Transferee Companies was dispensed with for the purpose of considering, and if thought fit, approving, with or without modification, the Scheme of amalgamation; annexed to the affidavit of Sh. Jayant Davar, Director of the Transferor Companies and Dr. G.B. Rao, Vice President-Corporate Finance and Company Secretary of the Transferee Company filed on the 31<sup>st</sup> day of March, 2006 and the publication in the newspapers namely (1) Statesman (English) (2) Jansatta (Hindi) both dt. 11/5/2006, each containing the advertisement of the said petition and upon hearing Mr. Deepak Dewan with Mr. Pankaj Jain, Advocates for the petitioner, Mr. Mayank Goel, Advocate for the Official Liquidator and Mr. R.D. Kashyap, Dy. Registrar of Companies in person and upon reading the affidavit dated 22/5/2006 of Sh. Rakesh Chandra, Regional Director, Northern Region, Department of Company Affairs, Noida on behalf of Central Government whereby he raised an objection that the scheme of amalgamation once implemented will require increase in authorized share capital of the Transferee Company. He further stated that the Transferee Company should be asked to comply with the relevant provisions of Act and pay requisite court fee to Registrar of Companies and stamp duty to the State Government before the said scheme of amalgamation is sanctioned. The Court did not find any merit in the said objection and rejected the same; and the report of Sh. A.K. Chaturvedi Official Liquidator filed on 19/5/2006 stating therein that the affairs of the Transferor Companies have not been conducted in a manner prejudicial to the interest of its members, creditors or public interest; and there being no investigation proceedings pending in relation to the petitioner companies under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOETH HEREBY SANCTION THE SCHEME OF AMALGAMATION setforth in Schedule-I annexed hereto and DOETH HEREBY DECLARE the same to be binding on all the shareholders and creditors of the Transferor and Transferee Companies and all concerned and doeth

ATTESTED

Examiner, Judicial Deptt,  
High Court of Delhi

approve the said scheme of amalgamation with effect from the appointed date i.e. 29.12.2005.

AND THIS COURT DOETH FURTHER ORDER:

1. That all the property, rights and powers of the Transferor Companies specified in the First, Second and Third parts of the Schedule-II hereto and all other property, rights and powers of the Transferor Companies be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Companies therein but subject nevertheless to all charges now affecting the same; and
2. That all the liabilities and duties of the Transferor Companies be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of the Transferee Company; and
3. That all the proceedings now pending by or against the Transferor Companies be continued by or against the Transferee Company; and
4. That the Transferee Company do without further application allot to such members of the Transferor Companies as have not given such notice of dissent as is required by Clause 7 given in the scheme of amalgamation herein the shares in the Transferee Company to which they are entitled under the said amalgamation; and
5. That the Transferor Companies do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the Transferor Companies shall be dissolved without the process of winding up and the Registrar of Companies shall place all documents relating to the Transferor Companies and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said Transferor and Transferee Companies shall be consolidated accordingly; and
6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

ATTESTED  
Examiner Judicial Deptt.  
High Court of Allahabad





# 1. DEFINITIONS:

1.1 In this Scheme, unless repugnant to the context:

(i) 'The Act' means The Companies Act, 1956 and any statutory amendmen (s) thereof or additions thereto for the time being in force.

(ii) "Court" means The Hon'ble High Court of Delhi.

(iii) 'The Transfer Date' or the 'Appointed Date' means start of business hours on 29<sup>th</sup> December, 2005 (or such other date as the Court may direct) from which date the undertaking(s) of the Transferor Companies shall stand transferred to or vested in or deemed to be transferred to or vested in the Transferee Company without any further act, deed or thing.

(iv) 'The Effective Date' means the date on which the transfer and vesting of the undertaking of the Transferor Companies shall take effect, i.e. the last of the dates on which the certified copies of the orders of the Court are filed with the Registrar of Companies, NCT of Delhi & Haryana by 'the Transferor Companies and the Transferee Company as required under the provisions of the Act.

(v) 'The Transferee Company' means 'SANDHAR TECHNOLOGEIS LIMITED' a Company incorporated under The Companies Act, 1956 and having its Registered Office at B-6/1, Commercial Center, Safdarjung Enclave, New Delhi - 110 029.

(vi) 'The TRANSFEROR COMPANY No. '1' means SANDHAR AUTO COMPONENTS LIMITED, a Company incorporated under The Companies Act, 1956 and having its Registered Office at B-6/1, Commercial Center, Safdarjung Enclave, New Delhi - 110 029.

(vii) 'The TRANSFEROR COMPANY No. '2' means SLD AUTO LIMITED, a Company incorporated under The Companies Act, 1956 and having its Registered Office at B-5/82, Safdarjung Enclave, New Delhi - 110 029.

(viii) 'The TRANSFEROR COMPANY No. '3' means SANDHAR ENGINEERING INDUSTRIES PRIVATE LIMITED, a Company incorporated under The Companies Act, 1956 and having its Registered Office at B-5/82, Safdarjung Enclave, New Delhi - 110 029.

For Aardra Automotives Pvt. Ltd.

Director

For Aardra Automotives Ltd.

Director

For Aardra Automotives Ltd.

Director

For SLD AUTO LIMITED

Director

For Sandhar Technologies Limited

Director

ATTESTED  
For Sandhar Auto Components Ltd.

Examiner Judicial Deptt.  
High Court of Delhi

Director

For Sandhar Engineering Industries Pvt. Ltd.

Director

(43)

(ix) 'The TRANSFEROR COMPANY No. '4' means ADEEP LOCKS LIMITED, a Company incorporated under The Companies Act, 1956 and having its Registered Office at B-6/1, Commercial Center, Safdarjung Enclave, New Delhi - 110 029, a wholly owned subsidiary of the Transferee Company.

(x) 'The TRANSFEROR COMPANY No. '5' means ADEEP ROLOFORMS LIMITED, a Company incorporated under The Companies Act, 1956 and having its Registered Office at B-6/1, Commercial Center, Safdarjung Enclave, New Delhi - 110 029, a wholly owned subsidiary of the Transferee Company.

(xi) 'The TRANSFEROR COMPANY No. '6' means AGRIM AUTOMACH PRIVATE LIMITED, a Company incorporated under The Companies Act, 1956 and having its Registered Office at B-6/1, Commercial Center, Safdarjung Enclave, New Delhi - 110 029, a wholly owned subsidiary of the Transferee Company.

(xii) 'The Transferor Companies' Means:

Sandhar Auto Components Limited, Transferor Company No. '1';

SLD Auto Limited, Transferor Company No. '2';

Sandhar Engineering Industries Private Limited, Transferor Company No. '3

Adeep Locks Limited, Transferor Company No. '4';

Adeep Roloforms Limited, Transferor Company No. '5';

Agrim Automach Private Limited, Transferor Company No. '6'.

(xiii) 'The Scheme of Amalgamation or The Scheme' means this Scheme for the Transfer of the Undertaking(s) of the Transferor Companies to the Transferee Company by way of Amalgamation, resulting in the dissolution of the Transferor Companies without winding up.

(xiv) "Undertaking(s)" means

(a) The entire business undertaking of the Transferor Companies including all the assets and properties of the Transferor Companies as on the Appointed Date (hereinafter referred to as "the said assets");

(b) All the debts, liabilities, duties, charges and obligations of the Transferor Companies as on the Appointed Date (hereinafter referred to as "the said liabilities").

(c) Without prejudice to the generality of the sub-clause (a) above, the

Undertaking of the Transferor Companies shall include all the

For Sandhar Technologies Limited

For Sandhar Auto Components Ltd.

For Sandhar Engineering Industries Pvt. Ltd.

For Agrim Automach Pvt Ltd.

For Adeep Roloforms Ltd.

For Adeep Locks Ltd.

For SLD AUTO LIMITED

Director

Director

Director

Director

Examiner Judicial Dept.  
High Court of Delhi

Director

Director

(S)

Transferor Companies reserves and the authorised share capital, application money (s), convertible warrants, movable and immovable properties including land and buildings, plant and machinery, capital work in progress, goods in transit, stocks, investments, cash and bank balances, bills of exchange, bank guarantees, post dated cheques, receivables, credits, deposits, claims, powers, authorities, allotments, leasehold rights, tenancy rights, entry and occupation rights, approvals, consents, registrations, contracts, ISI/BIS marks, engagements, arrangements, rights, titles, interests, benefits, club memberships, advantages, other intangibles, industrial and other licenses, permits, authorizations, quota rights, trademarks, patents and other industrial and intellectual property rights, including domain names, websites, copyrights, designs, engineering and process information, technology, computer program, import quotas, telephones, telex, facsimiles and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals of whatsoever nature and wheresoever situate, available under any rule, regulations, statute including direct taxes, benefit and exemption under the Income Tax Act, 1961, electricity duty benefit, central excise registration and exemptions, customs duty benefits and exemptions, stamp duty benefit and exemptions, awards, citations or any other benefit/exemption given by Central or State Government belonging to or in the ownership, power or possession or control of the Transferor Companies as on the Appointed Date and thereafter.

For Sandhar Auto Components Pvt Ltd.

*[Signature]*

For Sandhar Auto Components Pvt Ltd.

*[Signature]*

For Sandhar Auto Components Pvt Ltd.

*[Signature]*

For SLD AUTO LIMITED

*[Signature]*

## 2. SHARE CAPITAL

2.1 The Authorised Share Capital of Sandhar Technologies Limited the Transferee Company is Rs. 5,00,00,000/- (Rupees Five Crores Only) divided into 2,37,50,000 (Two Crores thirty seven lacs fifty thousand) Equity Shares of Rs. 2/- (Rupees Two) each and 25,000 (Twenty five thousand) Preference Share of Rs. 100/- (Rupees Hundred) each and the issued, subscribed and paid up share capital is 1,91,76,400/- (Rupees One Crore Ninety One Lacs Seventy Six Thousand Four Hundred Only) divided into 95,88,200 (Ninty five Lac Eighty Eight Thousand Two Hundred) Equity Shares of Rs. 2/-(Rupees Two) each fully paid up.

ATTESTED

Before me Judicial Officer

For Sandhar Technologies Limited Authorised Share Capital of the Sandhar Auto Components Limited (Transferor Company No. '1') is Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 32,50,000 (Thirty Two Lacs Fifty Thousand Only) Equity Shares of

For Sandhar Auto Components Ltd.

For Sandhar Engineering Corporation Pvt. Ltd.

*[Signature]*

*[Signature]*

*[Signature]*

*[Signature]*

Rs.10/- (Rupees Ten) each and 1,75,000 (One Lac Seventy Five thousand) Preference Share of Rs. 100/- (Rupees Hundred) each. The issued, subscribed and paid up share capital is Rs. 1,03,65,760/- (One Crore Three Lac Sixty Five Thousand Seven Hundred Sixty Only) Divided into 10,36,576 (Ten Lac thirty six thousand five hundred seventy six) Equity Shares of Rs.10/- (Rupees Ten) each fully paid up.

- 2.3 The Authorised Share Capital of SLD Auto Limited (Transferor Company No. '2') is Rs. 5,00,00,000/- (Five Crore Only) divided into 50,00,000 (Fifty Lac Only) Equity Shares of Rs.10/- (Rupees Ten) each. The issued, subscribed and paid up share capital is Rs. 1,05,00,000/- (One Crore Five Lac Only) divided into 10,50,000 (Ten Lac Fifty Thousand Only) Equity Shares of Rs.10/- (Rupees Ten) each fully paid up.
- 2.4 The Authorised Share Capital of Sandher Engineering Industries Private Limited (Transferor Company No. '3') is Rs. 8,50,00,000/- (Eight Crore Fifty Lac Only) divided into 85,00,000 (Eighty Five Lacs Only) Equity Shares of Rs.10/- (Rupees Ten) each. The issued, subscribed and paid up share capital is Rs. 8,31,96,200/- (Eight Crore Thirty One Lac Ninety Six Thousand Two hundred Only) divided into 83,19,620 (Eighty Three Lac Nineteen Thousand Six Hundred Twenty Only) Equity Shares of Rs.10/- (Rupees Ten) each fully paid up.
- 2.5 The Authorised Share Capital of Adeep Locks Limited (Transferor Company No. '4') is Rs. 65,00,000/- (Sixty Five Lac Only) divided into 6,50,000 (Six Lac Fifty Thousand Only) Equity Shares of Rs.10/- (Rupees Ten) each. The issued, subscribed and paid up share capital is Rs. 48,00,000/- (Forty Eight Lac Only) divided into 4,80,000 (Four Lac Eighty Thousand Only) Equity Shares of Rs.10/- (Rupees Ten) each fully paid up.
- 2.6 The Authorised Share Capital of Adeep Roloforms Limited (Transferor Company No. '5') is Rs. 50,00,000/- (Fifty Lac Only) divided into 5,00,000 (Five Lac Only) Equity Shares of Rs.10/- (Rupees Ten) each. The issued, subscribed and paid up share capital is Rs. 26,00,000/- (Twenty Six Lac Only) divided into 2,60,000 (Two Lac Sixty Thousand Only) Equity Shares of Rs.10/- (Rupees Ten) each fully paid up.
- 2.7 The Authorised Share Capital of the Agrim Automach Private Limited (Transferor Company No. '6') is Rs. 50,00,000/- (Fifty Lac Only) divided into 5,00,000 (Five Lac Only) Equity Shares of Rs.10/- (Rupees Ten) each. The issued, subscribed and paid up share capital is Rs. 48,00,000/- (Forty Eight Lac

Vas Sandhar Technologies Limited

For Sandhar Technologies Limited

For Sandhar Engineering Industries Pvt. Ltd.

Director

Director

Director

Director

- 9 -

(18)

Only) divided into 4,50,000 (Four Lac Eighty Thousand Only) Equity Shares of Rs.10/- (Rupees Ten) each fully paid up.

### 3. TRANSFER OF UNDERTAKING

3.1 With effect from the Appointed Date, the Undertaking(s) shall, pursuant to the provisions contained in sections 391 to 394 and other applicable provisions of the Act, stand transferred to and vest in or be deemed to be transferred to and vest in the Transferee Company on a going concern basis without any further act, deed matter or thing (save as provided in Clause 3.2 below) so as to become on the Appointed Date, the assets (subject to encumbrances and charges, if any existing thereon) or liabilities of the Transferee Company. Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by the Transferor Companies and the Transferee Company shall not be obliged to create or provide any further or additional security thereof after the Effective Date or otherwise.

3.2 In respect of such of the assets of the Transferor Companies as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same may be so transferred by the Transferor Companies without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Transferee Company as an integral part of the Undertaking.

3.3 In respect of such of the assets belonging to the Transferor Companies other than those referred to in sub-clause 3.2 the same shall, as more particularly provided in sub-clause 3.1, without any further act, instrument or deed, stand transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

3.4 Each of the moveable assets (other than those specified in sub-clause 3.2), including sundry debtors, outstanding loans and advances recoverable in cash or in kind or for value to be received and deposits with government, semi-government, local and other authorities and bodies, forming part of the Undertaking, shall, without any further act, instrument or deed be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company pursuant to the provisions of the Act and appropriate entries shall be made in the books of accounts of the Transferee Company to record the aforesaid change.

For Scheme Administrator Pvt. Ltd.

For Adm. Rub. Pvt. Ltd.

For Adm. Works Pvt. Ltd.

For SLD AUTO LIMITED

For Sanjay Technologies Limited

ATTESTED

Examiner Judge, High Court of Delhi

For Sanjay Engineering Industries Pvt. Ltd.



3.5 The Transferee Company may inform in such manner as it may deem fit and proper to each debtor or depositor (as the case may be) of the Transferor Companies, that pursuant to the High Court having sanctioned this Scheme under Sections 391 to 394 of the Act, the said debts, loans and/or advances specified in sub-clause 3.4 be paid or made good or held on account of, as the case may be, sub-clause 3.4 be paid or made good or held on account of, as the case may be, the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Companies to recover or realise the same do stand transferred to the Transferee Company and that appropriate entry should be passed in their respective books to record the aforesaid change.

3.6 All debts, liabilities including contingent liabilities, duties and obligations of every kind, nature and description forming part of the Undertaking whether recorded or unrecorded, disclosed or undisclosed shall also under the provisions of Sections 391 to 394 of the Act, without any further act, deed or instrument be and stand transferred or deemed to be transferred to, and vested with, the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company on a going concern basis and further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations arise in order to give effect to the provisions of this clause.

3.7 On and from the Appointed Date and subject to any corrections and adjustments as may, in the opinion of the Board of Directors of the Transferee Company, be required the reserves and the balances in the Balance Sheet and in the Profit and Loss Account of the Transferor Companies will be merged with those of the Transferee Company in the same form as they appear in the financial statements of the Transferor Companies.

3.8 Upon this scheme becoming effective, any loans or other obligation due between or amongst the Transferor Companies and the Transferee Company, if any, shall stand discharged and there shall be no liability in that behalf.

3.9 All cheques and other negotiable instruments, payment orders received in the name of the Transferor Companies after the Effective Date shall be accepted by the Bankers of the Transferee Company and credited to the account of the Transferee Company.

3.10 The Transferor Companies have inspected, examined and seen the Directors' Report, Audited Balance Sheet and Profit & Loss Account of the Transferee Company for the period ended 31st March, 2005, and also for the previous years

and have satisfied themselves about the correctness thereof.

For Sandhar Technologies Limited

For Sandhar Engineering Components Ltd.

For Sandhar Engineering Industries Pvt. Ltd.

Examiner, High Court of India

For Adm. Assistant, Pvt. Ltd.

For Adm. Keshav Pvt. Ltd.

For S.D. AUTO LIMITED

For S.D. AUTO LIMITED



- 3.11 No stamp duty shall be payable for the transfer or vesting of the undertakings of the Transferor Companies to the Transferee Company pursuant to this Scheme as no stamp duty is payable on Orders passed under section 394 of the Companies Act, 1956 on a Scheme of Amalgamation.

#### 4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

- 4.1 Subject to the other provisions of the Scheme, all contracts, deeds, agreements, bonds and other instruments of whatsoever nature to which the Transferor Companies are a party, subsisting or having effect immediately before or after the Effective date, shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable by and against the Transferee Company as fully and effectually as if it had at all material times been a party thereto.

- 4.2 The secured creditors of the Transferor Companies who hold charges on the assets of the Transferor Companies shall continue to hold in the same manner against the same assets being transferred to the Transferee Company without the need to create any fresh documentation.

- 4.3 It is expressly clarified that upon the Scheme becoming operative all taxes payable and any and all refunds of claims receivable by the Transferor Companies from the Appointed Date onwards shall be treated as the tax liability or refunds of claims as the case may be of the Transferee Company; similarly all credits for tax deduction at source on incomes of the Transferor Companies; or obligation for deduction of tax at source on any payment made by or to be made by the Transferor Companies shall be made or deemed to have been made and duly complied with if so made by the Transferor Companies or the Transferee Company. Similarly any payment required to be made for by specified due dates in the tax laws shall also be deemed to have been made correctly if so made by the Transferor Companies.

- 4.4 All taxes of any nature, duties, cesses or any other like payment or deductions made by Transferor Companies to any statutory authorities such as Income Tax, Sales tax, excise duty, service tax etc. etc. or any tax deduction / collection at source, relating to the period after the Appointed Date up to the Effective date shall be deemed to have been on account of or paid by the Transferee Company and the relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the

ATTESTED

Before a Notary Public  
at the Court of District

For Sankar Technologies Limited

For Sankar

For Sankar Engineering Industries Pvt. Ltd.

For Aditya Automobiles Ltd.

For Aditya Ref. Ltd.

For Aditya Industries Ltd.

For SLD AUTO LIMITED

*[Signature]*  
Director

*[Signature]*  
Director

*[Signature]*  
Director



passing of the orders on this Scheme by the High Court upon relevant proof and documents being provided to the said authorities."

- 4.5 Any inter se contracts, agreements or arrangements, approvals, consents, licenses, permissions of whatsoever nature including Governments, State Industrial Development Corporations, RBI etc. between the Transferor Companies with the Transferee Company shall stand adjusted and vest in the Transferee Company upon the sanction of the Scheme and upon the Scheme becoming effective.

**5. DATE WHEN SCHEME COMES INTO OPERATION**

- 5.1 The Scheme, though operative from the Appointed Date, shall be effective from the Effective date.

**6. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANIES UNTIL THE EFFECTIVE DATE**

- 6.1 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Companies shall:

- (a) carry on and be deemed to carry on all their business and activities and stand possessed of their properties and assets for and on account of and in trust for the Transferee Company and all the profits accruing to the Transferor Companies or losses arising or incurred by them shall for all purposes be treated as the profits or losses of the Transferee Company, as the case may be;
- (b) carry on their business with reasonable diligence and shall not without the prior written consent of the Transferee Company alienate, charge or otherwise deal with or dispose of the Undertaking(s) or any part thereof except in the ordinary course of business;
- (c) resolve with reasonable diligence, pending cases/issues in respect of their employees;
- (d) not, without the prior written consent of the Transferee Company, undertake any new business or substantial expansion of their existing business.

- 6.2 The borrowing limits of the Transferee Company in terms of Section 293 (1)(d) of the Act, shall without further act, instruments, permission, consent, approval or deed stand enhanced as required by an amount equivalent to the authorised borrowing limits of the Transferor Companies, such limits being incremental to the existing limits of the Transferee Company.

**ATTESTED**

Signature of Official  
High Court of India

For Sandhar Technologies Ltd.

For Sandhar Auto Components Ltd.

For Sandhar Engineering Industries Pvt. Ltd.

For Sandhar Technologies Ltd.

For Sandhar Auto Components Ltd.

For Sandhar Engineering Industries Pvt. Ltd.

For SLD AUTO LIMITED



- 6.3 The transfer and vesting of the properties and liabilities and the continuance of the proceedings by the Transferee Company and/or the contracts, etc. shall not affect any transaction or proceedings already concluded by the Transferor Companies in the ordinary course of business on and after the Appointed Date to the end and intent that the Transferee Company accepts on behalf of itself all acts, deeds and intent that the Transferee Company accepts on behalf of itself all acts, deeds and things done lawfully and executed by Transferor Companies in the ordinary course of business.

**7. SHARE CAPITAL OF THE TRANSFEE COMPANY AFTER GIVING EFFECT TO THE SCHEME OF AMALGAMATION**

- 7.1 All the equity shareholders whose names appear in the records of the Transferor Companies on such date (Record Date) to be fixed by the Board of Directors of the Transferee Company immediately after the Effective Date shall be entitled to shares in the Transferee Company as follows:

7.1.1 For every 100 equity shares of Rs. 10/- each fully paid up in Sandhar Auto Components Limited, the shareholders of Sandhar Auto Components Limited will be entitled to 234 equity shares of Rs. 2/- each fully paid up in Transferee Company.

7.1.2 For every 1768 equity shares of Rs. 10/- each fully paid up in SLD Auto Limited, the shareholders of SLD Auto Limited will be entitled to 100 equity shares of Rs. 2/- each fully paid up in Transferee Company.

7.1.3 For every 402 equity shares of Rs. 10/- each fully paid up in Sandhar Engineering Industries Private Limited, the shareholders of Sandhar Engineering Industries Private Limited will be entitled to 100 equity shares of Rs. 2/- each fully paid up in Transferee Company.

7.1.4 The Transferor Companies No. '4', '5' and '6' i.e. Adeep Locks Limited, Adeep Roloforms Limited and Agrim Automach Private Limited are wholly owned subsidiaries of the Transferee Company as such entire shareholding of these companies are held by the Transferee Company along with its nominees. Hence entire shareholding of Transferee Company shall stand cancelled and no new shares will be issued against shares held by the Transferee Company in the Transferor Companies.

**ATTESTED**

Examiner Judicial Deptt.  
High Court of Delhi

For Sandhar Technologies Limited

For Sandhar Auto Components Ltd.

For Sandhar Engineering Industries Private Limited

For Sandhar Auto Components Ltd.

For SLD Auto Limited

For Sandhar Engineering Industries Private Limited

For SLD AUTO LIMITED



7.1.5 Share Application money pending allotment in the books of Transferor Companies held by the Transferee Company will stand cancelled against this amount appearing in the books of the Transferee Company.

It is hereby clarified that the shareholders of Transferor Companies shall not be entitled to any fractional entitlements in the new shares to be issued, in the Transferee Company, and all fractional entitlements shall stand cancelled.

7.2 Upon this Scheme becoming finally effective and upon the new equity shares in the Transferee Company being issued by it to the equity shareholders in the Transferor Companies whose names appear on the Register of Members of the Transferor Companies on the Record Date fixed as aforesaid the shares in the Transferor Companies shall be deemed to have been automatically cancelled and extinguished and be of no effect on and from the Record Date. Wherever applicable, the Transferee Company shall instead of requiring the surrender of share certificates of the Transferor Companies, directly issue and despatch the new share Certificates of the Transferee Company in lieu thereof to the shareholders of the Transferor Companies No. 1, 2 and 3 entitled thereto.

For Sandhar Auto Components Ltd.

7.3 Upon the Scheme being effective the 95,20,000 compulsorily convertible debentures of Rs. 100/- each in the Transferee Company shall stand converted w.e.f. the appointed date into 41,93,496 equity shares of Rs. 2/- each fully paid up at a conversion price of Rs. 227.02 per share (which includes a premium of Rs. 225.02 per share) and these shares shall be issued to the debenture holders in proportion to their debenture holdings in the Transferee Company. The equity shares shall rank parri-passu with the other shares of the company except for dividend which is covered in para 9.2 hereafter.

For Sandhar Engineering Industries Ltd.

7.4 The issue of shares/conversion of compulsorily convertible debentures in the Transferee Company as provided in this Scheme as an integral part thereof shall be deemed to have been carried out as if the procedure laid down under section 81(1A) and any other applicable provisions of the Act or any other law, Statute, Rules, Regulations for the time being in force were duly complied with and without requiring the payment of any additional tax, stamp duty or charges under any law for the time being in force.

For Sandhar Auto Components Ltd.

For Sandhar Engineering Industries Ltd.

ATTESTED

7.5 Upon the Scheme being effective the authorised share capital of the all the Transferor Companies would add to the authorised share capital of the Transferee Company and the authorised share capital of the Transferee Company would stand increased to that extent without any further act or deed.

For Sandhar Engineering Industries Ltd. For Sandhar Auto Components Ltd. For Sandhar Engineering Industries Pvt. Ltd.

Director

Director

Director



- 7.6 On the Scheme being effective the merged balance sheet of the Transferee Company after giving effect to the Scheme of Amalgamation shall be as per Schedule I and sanction to the Scheme by the Hon'ble Court shall be deemed that all requirements of the Act have been complied with.

**8. LEGAL PROCEEDINGS**

- 8.1 All suits, claims, actions and proceedings by or against the Transferor Companies pending and or arising before any Court, Tribunal or any statutory authority or any arbitrator on or before the effective date shall be continued and be enforced by or against the Transferee Company as effectually as the same had been instituted by or pending and/or arising against the Transferee Company.

**9. DIVIDEND, PROFITS, RIGHTS/ BONUS SHARES**

- 9.1 Dividend (interim or final) in respect of the period commencing from the Appointed Date may be declared or paid by the Board of Directors of the Transferor Companies with the consent of the Board of Directors of the Transferee Company.
- 9.2 It is hereby clarified that the equity shares issued pursuant to conversion of compulsory convertible debentures will be entitled to proportionate rate of dividend on the equity shares for the year 2005-2006. i.e. proportionate to the period from the appointed date (date of investment agreement) till 31<sup>st</sup> March, 2006.
- 9.3 It is clarified however that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any member of the Transferor Companies to demand or claim any dividend which shall be entirely at the discretion of the Board of Directors of the Transferor Companies and the Transferee Company and subject to the provisions of the Act

For Sanjay Auto. Equip. Pvt. Ltd.

For A. Samp. Road. Equip. Pvt. Ltd.

For ...

For SLD AUTO LIMITED

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**10. EMPLOYEES OF THE TRANSFEROR COMPANIES**

Examined and attested the employees of the Transferor Companies who are in their employment on the Effective Date of this Scheme shall as from such date, become the employees of the Transferee Company on the basis that their services have not been

For Sanjay Technology Pvt. Ltd.

For Sanjay Auto. Equip. Pvt. Ltd.

For Sanjay Engineering Industries Pvt. Ltd.

interrupted by the vesting of the undertaking(s) of the Transferor Companies in the Transferee Company under this Scheme and that the terms and conditions of services applicable to them on the Effective date will not in any way be less favourable to them than those applicable to them immediately before the Effective Date as aforesaid. The transfer of employment shall be on the basis of continuity of Scheme.

- 10.2 On the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever relating to the administration or operation of or in relation to the obligation to make contribution to the Provident Fund, Gratuity Fund and Pension and /or Superannuation Fund or any other Special Fund created or existing for the benefit of staff, workmen and other employees (including former employees) of the Transferor Companies in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and intent of the Scheme that all the rights and duties and powers and obligations of the Transferor Companies in relation to such Funds or Trusts shall become those of the Transferee Company.

#### 11. DISSOLUTION WITHOUT WINDING UP

- 11.1 On the Scheme becoming effective the Transferor Companies shall be dissolved without being wound up.

#### 12. APPLICATION TO THE COURT

- 12.1 The Transferor Companies and the Transferee Company shall make joint applications/petitions under section 391 and 394 and applicable provisions of the said Act to the Court, for sanction of this Scheme and for dissolution of the Transferor Companies without winding up.

#### 13. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 13.1 The Transferor Companies and the Transferee Company through their respective Board of Directors in their full and absolute discretion may assent to any modification or amendment to the Scheme which the Court, shareholders of the Transferor Companies and/or Transferee Company and/or any other competent authority may deem fit to approve/impose and effect any other modification or amendment which the Board of Directors of the respective company in the best interests of the Transferor Companies or Transferee Company may consider necessary or desirable and give such direction as they may consider desirable or

For Sandhar Technologies Limited

For Sandhar Engineering Industries Ltd.

For Sandhar Engineering Industries Pvt. Ltd.

Director

Director

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For Sandhar Engineering Industries Ltd.

For Sandhar Engineering Industries Ltd.

For Sandhar Engineering Industries Ltd.

For SLD AUTO LIMITED

necessary for settling any question, doubt or difficulty arising under the Scheme or in regard to its implementation or any other matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Transferor Companies or the Transferee Company) and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect. In the event that any modification or amendment to the Scheme is unacceptable to the Transferor Companies and/or the Transferee Company for any reason whatsoever the Transferor Companies and/or Transferee Company shall be at liberty to withdraw from the Scheme at any time.

- 13.2 For the purpose of giving effect to the Scheme or to carry out any modification or amendment thereto the Board of Directors of the Transferor Companies and the Transferee Company or any committee thereof is authorised to give such directions and/or to take such steps as may be necessary or desirable including any directions for settling any question, doubt or difficulty whatsoever that may arise.

#### 14. SCHEME CONDITIONAL ON APPROVAL/SANCTION

- 14.1 The Scheme is conditional upon and subject to:

- (a) The sanction or approval of all persons or authorities concerned, being obtained and granted in respect of any of the matters provided for or relating to the Scheme for which such sanction or approval is required.
- (b) The sanction of the Scheme by Court under section 391 and 394 of the said Act and necessary order or orders under section 394 of the said Act being obtained.

#### 15. EFFECT OF NON RECEIPT OF APPROVAL/SANCTIONS

- 15.1 The Board of Directors of the Transferor Companies and the Transferee Company shall be at liberty to withdraw from this Scheme of Amalgamation in case any condition or alteration imposed by any Authority is unacceptable to any of them.

- 15.2 In case the Scheme is not sanctioned by the Court, for any reason whatsoever or for any other reasons, the Scheme cannot be implemented, the Scheme will become null and void and of no effect and in that event no rights and/or liabilities

**ATTACHED**

shall accrue to or be incurred inter-se by the Transferor Companies and the Transferee Company and the parties shall bear and pay their respective costs and

For Transferor Companies Limited

For Board

For Board of Directors of the Transferee Company

For the Amalgamated Co. Ltd.

For the Amalgamated Co. Ltd.

For the Amalgamated Co. Ltd.

For the Amalgamated Co. Ltd.

Director

Director



expenses incurred in connection with or relating to the Scheme or pursuant thereto.

15.3 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, developmental rights, licenses, sales tax deferment, incentives, concessions and authorizations, shall stand vested and permitted or continued by the order of sanction of the Hon'ble High Court of Delhi in the Transferee Company, the Transferee Company shall file the Scheme, for the record of the statutory authorities who shall take it on file/record, pursuant to the sanction orders of the Hon'ble High Court of Delhi.

15.4 The Transferor Companies and the Transferee Company are expressly permitted to revise their Income-tax, sales tax and other statutory returns including without limitation, TDS certificates and the right to claim refund, advance tax credits etc., upon this Scheme becoming effective and have expressly reserved the right to make such revisions in the Income-tax loss returns and related TDS certificates and the right to claim refund, advance tax credit etc., pursuant to the sanction of this Scheme.

#### 16. SETTLEMENT OF DIFFERENCE OR ISSUE THROUGH ARBITRATION

16.1 If any doubt or difference or issue arise between the parties hereto or any of their shareholders, creditors, employees and any other as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability vested under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to sole arbitration of Mr. M.G. Ramachandran, Senior Advocate, New Delhi and law and rules of arbitration as per Arbitration & Conciliation Act, 1996 as in force shall apply. The venue of arbitration shall be New Delhi.

#### 17 COSTS AND EXPENSES

17.1 All costs, charges and expenses of the Transferor Companies and of the Transferee Company in relation to or in connection with the Scheme shall be borne by the Transferee Company.

For Sandhar Auto Components Limited,  
For Sandhar Auto Components Ltd.

Authorised Signatory  
Director

3-11-2011  
L: [Signature]

[Signature]

58

For Sandhar Automach Limited



Authorized Signatory

For Sandhar Engineering Industries Private Limited

For Sandhar Engineering Industries Pvt. Ltd.



Authorized Signatory

For Adeep Locks Limited  
For Adeep Locks Pvt. Ltd.



Authorized Signatory

For Adeep Kolofour Limited



Authorized Signatory

For Agrim Automach Private Limited  
For Agrim Automach Pvt. Ltd.



Authorized Signatory

For Sandhar Technologies Limited

For Sandhar Technologies Pvt. Ltd.



Authorized Signatory



ATTESTED  
  
Examiner Judicial Deptt  
High Court of Delhi



**Balance Sheet of Merged Entity as at 29.12.2005**

|                                                   | AS AT<br>29.12.2005<br>Rs. |             |
|---------------------------------------------------|----------------------------|-------------|
| <b>SOURCES OF FUNDS</b>                           |                            |             |
| <b>SHAREHOLDERS' FUND</b>                         |                            |             |
| Share Capital                                     | 36,672,460                 |             |
| Reserves & Surplus                                | 386,921,807                |             |
| Share Premium                                     | 475,905,248                |             |
| <b>LOAN FUNDS</b>                                 |                            |             |
| Secured Loans                                     | 179,318,413                |             |
| Unsecured Loans                                   | 120,021,585                |             |
| Deferred Tax Liabilities (Net)                    | 74,005,293                 |             |
|                                                   | <u>1,272,845,808</u>       |             |
| <b>APPLICATION OF FUNDS</b>                       |                            |             |
| <b>FIXED ASSETS</b>                               |                            |             |
| Gross Block                                       | 1,076,242,499              |             |
| Less: Depreciation                                | 211,719,250                |             |
| Net Block                                         | 864,523,249                |             |
| Advance for Capital Goods                         | 30,226,179                 | 894,749,428 |
| Investments                                       |                            | 182,486,804 |
| <b>Current Assets, Loans &amp; Advances</b>       |                            |             |
| Inventories                                       | 118,457,097                |             |
| Cash & Bank Balances                              | 38,798,488                 |             |
| Sundry Debtors                                    | 427,874,179                |             |
| Other Current Assets                              | 15,142                     |             |
| Loans & Advances                                  | 124,038,989                |             |
|                                                   | <u>709,183,896</u>         |             |
| <b>Less: Current Liabilities &amp; Provisions</b> |                            |             |
| Current Liabilities                               | 495,510,689                |             |
| Provisions                                        | 26,228,901                 |             |
|                                                   | <u>521,739,590</u>         |             |
| <b>Net Current Assets</b>                         |                            | 187,444,305 |
| <b>Miscellaneous Expenditure</b>                  | 413,168                    |             |
| <b>P &amp; L Account</b>                          | <u>7,752,103</u>           |             |
|                                                   | <u>1,272,845,808</u>       |             |

For Sandhar Technologies Limited

*[Signature]*  
Director

For Sandhar Auto Components Ltd.

*[Signature]*  
Director

For Sandhar Engineering Industries Pvt. Ltd.

*[Signature]*  
Director

For SLD AUTO LIMITED

*[Signature]*  
Director

For Adarp Locks Ltd.

*[Signature]*  
Director

For Adarp Reinforce Ltd.

*[Signature]*  
Director

For Asrim Appmach Pvt. Ltd.

*[Signature]*  
Director

- 21 -  
SCHEDULE - II

(14)

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

COMPANY PETITION NO. 98 OF 2006  
CONNECTED WITH  
COMPANY APPLICATION (M) NO. 66 OF 2006

IN THE MATTER OF THE COMPANIES ACT, 1956:  
AND  
IN THE MATTER OF A PETITION UNDER SECTION 391 - 394 OF  
THE COMPANIES ACT, 1956:  
AND  
IN THE MATTER OF SCHEME OF AMALGAMATION OF

SANDHAR AUTO COMPONENTS LIMITED  
(TRANSFEROR COMPANY NO. '1')

SLD AUTO LIMITED  
(TRANSFEROR COMPANY NO. '2')

SANDHAR ENGINEERING INDUSTRIES PRIVATE LIMITED  
(TRANSFEROR COMPANY NO. '3')

ADEEP LOCKS LIMITED  
(TRANSFEROR COMPANY NO. '4')

ADEEP ROLOFORMS LIMITED  
(TRANSFEROR COMPANY NO. '5')

AGRIUM AUTOMACH PRIVATE LIMITED  
(TRANSFEROR COMPANY NO. '6')

WITH

SANDHAR TECHNOLOGIES LIMITED  
(TRANSPEREE COMPANY)

SANDHAR TECHNOLOGIES LIMITED AND OTHERS.....APPLICANTS

ATTESTED

Examiner of Petals Dept.  
High Court of Delhi

SHORT PARTICULARS OF ALL THE PROPERTIES, RIGHTS & POWERS OF THE  
TRANSFEROR VIZ. SANDHAR AUTO COMPONENTS LIMITED, SLD AUTO  
LIMITED, SANDHAR ENGINEERING INDUSTRIES PRIVATE LIMITED,  
ADEEP LOCKS LIMITED, ADEEP ROLOFORMS LIMITED, AGP (I)  
AUTOMACH PRIVATE LIMITED (TRANSFEROR COMPANIES) "C"  
TRANSFERRED TO SANDHAR TECHNOLOGIES LIMITED (TRANSFEREE  
COMPANY) IN PART I, PART II AND PART III OF THE SCHEDULE  
(FORM NO. 42)

**PART-I**

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

Land (along with building & plant & machinery), situated at:

**Sandhar Auto Components Plot No. 24 (Transferor Company No. - 1)**

| S.No. | Description                                                                                                                                                          | Area           |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| 1     | Plot No. 24 Sector - 3, IMT Manesar, Gurgaon(Haryana)                                                                                                                | 4080 Sq. Mtrs. |
| 2     | Plot No. 25 Sector - 3, IMT Manesar, Gurgaon(Haryana)<br>( RLA in the Name of Sandhar Technologies Ltd.(Sandhar<br>Locking Devices Ltd.) Conveyance deed is pending) | 4060 Sq. Mtrs. |

**Sandhar Engineering Industries (Transferor Company No. - 3)**

| S.No. | Description                                                                                                                                                                                                                                                                                 | Area                  |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 1     | Khewat No. 388, Khassra No. 1746/1217/2 land measuring<br>7 Bhiga 3 Biswa pukhta to the extent of 29/143 share<br>which comes to 1 Bhiga 9 Biswa Pukhta(7 kanal 5 marla)<br>Situated at vill. Khandaa tehal & distt. Gurgaon(Haryana)                                                       | 1 Bhiga<br>9 Biswa    |
| 2     | Khewat No. 388, Khassra No. 1746/1217/2 land measuring<br>7 Bhiga 3 Biswa pukhta to the extent of 29/143 share<br>which comes to 1 Bhiga 9 Biswa Pukhta(7 kanal 5 marla)<br>Situated at vill. Khandaa tehal & distt. Gurgaon(Haryana)                                                       | 1 Bhiga<br>9 Biswa    |
| 3     | Khewat No. 388, Khassra No. 1746/1217/2 land measuring<br>7 Bhiga 3 Biswa pukhta to the extent of 29/143 share<br>which comes to 1 Bhiga 9 Biswa Pukhta(7 kanal 5 marla)<br>Situated at vill. Khandaa tehal & distt. Gurgaon(Haryana)                                                       | 1 Bhiga<br>9 Biswa    |
| 4     | Khewat No. 384, Khassra No. 1216 land measuring 2 Biswa<br>Pukhta aslam (kayam) with Pakka Well(10 marla)<br>Situated at vill. Khandaa tehal & distt. Gurgaon(Haryana)                                                                                                                      | 2 Biswa               |
| 5     | Khewat No. 388, Khassra No. 1746/1217/2 land measuring<br>7 Bhiga 3 Biswa Pukhta to the extent of 66/143 share<br>which comes to 2 Bhiga 16 Biswa Pukhta( 14 kanal)<br>Situated at vill. Khandaa tehal & distt. Gurgaon(Haryana)                                                            | 2 Bhiga<br>16 Biswa   |
| 6     | Khassra No. 1747/1218/1/1 13 Biswa(Thirteen Biswa) and<br>1746/1218/2 6 Bhiga 10 Biswa (Six Bhiga Ten Biswa)<br>total measuring 7 Bhiga 3 Biswas pukhta to the extent of<br>1/2 share which comes to 3 Bhiga 11.5 Biswa Pukhta<br>Situated at vill. Khandaa tehal & distt. Gurgaon(Haryana) | 3 Bhiga<br>11.5 Biswa |

ATTN:

Examiner Judicial Dept.  
E.C. Sub. of Delhi



**Adeep Locks Ltd.(Transferor Company No. - 4)**

| S.No. | Description                                                            | Area         |
|-------|------------------------------------------------------------------------|--------------|
| 1     | 12-C KIADB INDL. AREA, ATTIBELI, B'LORE                                | 2599 Sq.Mtrs |
| 2     | KACHANAYAKANAHALLI VILLAGE, ANEKAL TALUK, BANGALORE DIST (Site No. 11) | 1200 Sq. ft  |
|       | - do - (Site No. 12)                                                   | 1200 Sq. ft  |
|       | - do - (Site No. 13)                                                   | 1200 Sq. ft  |

**Adeep Roloforms Ltd.(Transferor Company No. - 5)**

| S.No. | Description                                    | Area          |
|-------|------------------------------------------------|---------------|
| 1     | 12-C KIADB INDL. AREA, ATTIBELE, B'LORE        | 5204 Sq. Mtrs |
| 2     | SURVEY NO.12/18, THIRUVOTTIYUR VILLAGE CHENNAI | 9281 Sq. ft   |
| 3     | 13A, KIADB INDL AREA, ATTIBELE, B'LORE         | 5030 Sq. Mtrs |
| 4     | PLOT NO.44, SECTOR-3, NMT, MANESAR             | 8075 Sq. Mtrs |

**Agrim Automach Pvt. Ltd.(Transferor Company No. - 6)**

| S.No. | Description                                                               | Area              |
|-------|---------------------------------------------------------------------------|-------------------|
| 1     | PLOT NO. 27 IN SY NO. 27<br>Madargali village, Varuna Hobli, Mysore Taluk | 2 Acres 18 Gunies |

**PART-II**

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

Land (along with building & plant & machinery) situated at:

**SLD Auto Ltd. (Transferor Company No. - 2)**

| SL. NO. | PARTICULARS OF LAND                                                                                                                                                                                                                                                                              | AREA                            |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|
| 1       | Plot No. 8, Sy. Nos. parts of 29, 72 & 73 in Bommasandra Jigani Link Road, Industrial Area, with in the VII. Limitation<br><br>Kyalasanahalli, Hobli - Jigani, Taluk-Anekal, Distt. Bangalore<br>(To be Converted into Free Hold on execution of Sale Deed before 4 <sup>th</sup> November 2009) | 12141 Sq. Mtrs.<br>897 SQ Mtrs. |

**ATTESTED**

Registrar, Judicial Deptt.  
High Court of Delhi

**Adeep Roloforms Ltd. (Transferor Company No. - 6)**

| SL. NO. | PARTICULARS OF LAND                                                                                                                                              | AREA                                            |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| 1       | 7A, KIADB INDL AREA, ATTISELE, B'LORE<br>ADD: ADDITIONAL LAND<br>(To be Converted into Free Hold on execution of Sale Deed before 19 <sup>th</sup> October 2007) | 4038 Sq. Mtrs<br>1622 Sq. Mtrs<br>5660 Sq. Mtrs |
| 2       | K-105, MIDC INDL. AREA, WALUJ, A'BAD<br>(Sale deed to be executed after 95 years from 18.12.2001)                                                                | 4050 Sq. Mtrs                                   |
| 3       | K-230, MIDC INDL. AREA, WALUJ, A'BAD<br>(Sale deed to be executed after 95 years from 27.03.2001)                                                                | 6785 Sq. Mtrs                                   |

**Agrim Automach Pvt. Ltd. (Transferor Company No. - 6)**

| SL. NO. | PARTICULARS OF LAND                                                                                                                                                          | AREA             |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| 1       | NO.3, TVS INDL. ESTATE, HARITA, HOSUR<br>(Lease for a period of 15 years from 12 <sup>th</sup> May 2000 with an opt'on to extend the lease for a further period of 10 years) | 8325.89 Sq. Mtrs |

**PART-III**

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

**SANDHAR ENGINEERING INDUSTRIES PRIVATE LIMITED (Transferor Company No. - 3)**

**MUTUAL FUNDS**

| S.No. | Description                                     | No. of Units |
|-------|-------------------------------------------------|--------------|
| 1     | DSP ML Floating Rate Fund - Div. Reinv.         | 428844.0902  |
| 2     | Prv. ICICI Floating Rate Plan - A - D v. Reinv. | 68202.8180   |

**ADEEP LOCKS LIMITED (Transferor Company No. - 4)**

**MUTUAL FUNDS**

| S.No. | Description                                        | No. of Units |
|-------|----------------------------------------------------|--------------|
| 1     | TEMPLETON FLOATING RATE FUND - LONG TERM (DIV, RE) | 628568.2993  |
| 2     | BIRLA DIVIDEND YIELD - DIV.PAYOUT OPTION           | 200964.6302  |
| 3     | BIRLA INFRASTRUCTURE FUND - PAYOUT                 | 244498.7775  |
| 4     | BIRLA SUNLIFE FRONTLINE EQUITY DIV PAYOUT          | 198924.7649  |
| 5     | DSP MERRILL LYNCH OPPORTUNITIES FUND-DIV.CASH OPT  | 140628.3867  |
| 6     | FIDELITY EQUITY FUND DIV REINV                     | 162239.6951  |
| 7     | FRANKLIN INDIA BLUE CHIP FUND - DIV.PAYOUT         | 108607.2356  |
| 8     | FRANKLIN INDIA PRIMA FUND - DIV. PAYOUT            | 58934.639    |

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| 9  | HDFC CAPITAL BUILDER FUND - DIV. PAYOUT OPT.      | 133775.6849 |
| 10 | HDFC EQUITY FUND - DIV. PAYOUT OPT.               | 104588.782  |
| 11 | PRINCIPAL INFRASTRUCTURE & SERVICE INDUSTRIES FUV | 232342.0074 |
| 12 | PRU ICICI DYANMIC PLAN - DIV PAYOUT               | 205116.4241 |
| 13 | PRU ICICI INFRASTRUCTURE FUND -DIV PAY            | 249500.99   |
| 14 | PRU. ICICI DISCOVERY FUND - DIV PAYOUT OPTION     | 162748.538  |
| 15 | TEMPLETON INDIA GROWTH FUND - DIV.CASH OPTION     | 93353.2487  |
| 16 | HDFC LIQUID FUND DIVIDEND REINVESTMENT OPTION     | 3711182.442 |

#### EQUITY SHARES

| S.No. | Description                        | No. of Shares |
|-------|------------------------------------|---------------|
| 1     | BANK OF BARODA (Face Value Rs. 10) | 1500          |
|       |                                    |               |

#### BONDS

| S.No. | Description                                                         | No. of Bonds |
|-------|---------------------------------------------------------------------|--------------|
| 1     | 8.75% Tax Free US\$4 BONDS UNIT TRUST OF INDIA (Face Value Rs. 100) | 2575         |

#### ADEEP ROLOFORMS LIMITED (Transferor Company No. - 5)

##### EQUITY SHARES

| S.No. | Description                        | No. of Shares |
|-------|------------------------------------|---------------|
| 1     | BANK OF BARODA (Face Value Rs. 10) | 1500          |
|       |                                    |               |

#### AGRIM AUTOMACH PRIVATE LIMITED (Transferor Company No. - 6)

##### MUTUAL FUNDS

| S.No. | Description                        | No. of Units |
|-------|------------------------------------|--------------|
| 1     | PRU. ICICI LIQUID DAILY DIV. REINV | 380162.6036  |
|       |                                    |              |

Dated this the 26th day of May, 2006

(By order of the Court)

Witnessed to be True Copy

Senior Judicial Officer  
Court of District  
Under Section 79

TRUE COPY  
EXAMINER

Joint Registrar (Co.)

No ..... 10103  
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Admission (Indl)  
(Cogn: II)  
H. S. Chandra Debi  
New Delhi

*[Signature]*



IN THE HIGH COURT OF DELHI AT NEW DELHI  
ORIGINAL JURISDICTION

COMPANY PETITION NO. 86 OF 2013  
CONNECTED WITH  
COMPANY APPLICATION (M) 19 OF 2013

For Private Use  
NK  
Registrar, District Court, Delhi

IN THE MATTER OF THE COMPANIES ACT, 1956  
AND  
IN THE MATTER OF A PETITION UNDER SECTION 391 - 394  
OF THE COMPANIES ACT, 1956  
AND  
IN THE MATTER OF A SCHEME OF AMALGAMATION  
OF  
MAG ENGINEERING PRIVATE LIMITED  
TRANSFEROR / PETITIONER COMPANY  
WITH  
SANDHAR TECHNOLOGIES LIMITED  
TRANSFeree / NON-PETITIONER COMPANY  
MAG ENGINEERING PRIVATE LIMITED  
.....PETITIONER

MEMO OF PARTIES

**MAG ENGINEERING PRIVATE LIMITED**

PRESENTLY HAVING ITS REGISTERED OFFICE AT C-101A, ANSAL PLAZA,  
HUDCO PLACE, KHELGAON MARG, NEW DELHI-110049.

TRANSFEROR / PETITIONER COMPANY

**SANDHAR TECHNOLOGIES LIMITED**

HAVING ITS REGISTERED OFFICE AT C-101A, ANSAL PLAZA, HUDCO PLACE,  
KHELGAON MARG, NEW DELHI-110049.

TRANSFeree / NON-PETITIONER COMPANY

**ADVOCATES FOR THE PETITIONER**

*Adarika Ghosh*  
DEEPAK DIWAN / ADARIKA GHOSH  
(9810517022 / 9810006468)  
M-5, Basement, Saket,  
New Delhi-110017

Date: 11<sup>th</sup> February, 2013  
Place: New Delhi

Filed for  
NK  
Registrar, District Court, Delhi

(1)

IN THE HIGH COURT OF DELHI AT NEW DELHI

ORIGINAL JURISDICTION

COMPANY PETITION NO 86 OF 2013

CONNECTED WITH

COMPANY APPLICATION (M) NO 19 OF 2013

IN THE MATTER OF THE COMPANIES ACT, 1956

AND

IN THE MATTER OF A PETITION UNDER SECTION 391 AND 394 OF

THE COMPANIES ACT, 1956

AND

IN THE MATTER OF SCHEME OF AMALGAMATION

BETWEEN

Mag Engineering Private Limited

C-101 A, Ansal Plaza

HUDCO Place, Khelgaon Marg, New Delhi-110049

....TRANSFEROR COMPANY

AND

Sandhar Technologies Limited

C-101 A, Ansal Plaza

HUDCO Place, Khelgaon Marg, New Delhi - 110049

....TRANSFeree COMPANY

BEFORE HON'BLE DR. JUSTICE S. MURALIDHAR

DATED THIS 2<sup>nd</sup> DAY OF MAY, 2013

ORDER UNDER SECTION 391-394 OF THE COMPANIES ACT, 1956

The above petition under Sections 391-394 of the Companies Act, 1956, came up for hearing on 02/05/2013 for sanction of the Scheme of Amalgamation

  
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between Mag Engineering Private Limited (hereinafter referred to as Transferor / Petitioner Company) and Sandhar Technologies Limited (hereinafter referred to as Transferee) under Section 391-394 of the Companies Act, 1956.

The Court examined the Petition; the Order dated 04/02/2013, passed in CA (M) NO. 19 of 2013, whereby meetings of the Equity Shareholders, Secured and Unsecured Creditors of the Transferor were ordered to be dispensed with and the initiation of proceedings under Sections 391-394 of the Companies Act, 1956 by the Transferee were also ordered to be dispensed with the Scheme of Amalgamation annexed to the affidavit dated 24/01/2013 of Sh. Arvind Joshi, Director of the Transferor Company for the purpose of considering and, if thought fit, approving with or without modification in the newspapers namely, "The Hindustan Times" (English) and "Veer Arjun" (Hindi) both dated 28.02.2013.

The Court also examined the Affidavit dated 23.04.2013 of Regional Director, Northern Region, Ministry of Corporate Affairs and approved the proposed Scheme of Amalgamation.

Upon hearing Shri Deepak Diwan and Ms. Adarika Ghose, Advocates for the Petitioners, Mr. Rajiv Bahl Advocate for Official Liquidator and Mr. K.S. Pradhan, Deputy Registrar of Companies for Regional Director and in view of the approval to the Scheme of Amalgamation by all Equity shareholders and Creditors of the Transferor Company without any modifications; and in view of the report of Official Liquidator dated 26.04.13 there being no objections to the Scheme; further, there being no investigation proceedings pending in

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relation to the Petitioner Company under Section 235 to 251 of the Companies Act, 1956.

THIS COURT DOTH HEREBY SANCTION THE SCHEME OF AMALGAMATION set forth in Schedule -I annexed hereto and Doth hereby declare the same to be binding on all the Equity Shareholders & Secured and Unsecured Creditors of the Transferor/Petitioner Company and the Transferee Company and all concerned and doth approve the said Scheme of Amalgamation with effect from the Appointed Date i.e. 1<sup>st</sup> April, 2012.

AND THIS COURT DOTH FUTHER ORDER:

- 1 That all the property, rights and powers of the Transferor Company specified in First, Second and Third Parts of the Schedule II attached hereto, and all other property, rights and powers of the Transferor Company pertaining to the Undertaking of Transferor Company (as defined in the Scheme) be transferred without any further act or deed into the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and vest in the Transferee Company for all the estate and the interest of the Transferor Company but subject nevertheless to all charges now affecting the same;
- 2 That all the liabilities and duties of the Transferor Company pertaining to the Undertaking of the Transferor Company be transferred without any 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 and become the liabilities and duties of the Transferee Company;

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- 3 That all proceedings now pending by or against the Transferor Company in relation to the Undertaking of the Transferor Company be continued by or against the Transferee Company;
- 4 That as per Clause 7.1 of the Scheme of Amalgamation, the Transferor/Petitioner Company is a wholly owned subsidiary of the Transferee Company, the entire paid-up equity share capital of the Petitioner Company is held by the Transferee Company. Therefore, upon this Scheme being effective, the entire issued, subscribed and paid up share capital of Rs 30,942,000/- (Three Crores Nine Lakhs Forty Two Thousand) divided into 309,420 (Three Lakhs Nine Thousand Four Hundred Twenty) equity shares of Rs. 100/- of the Transferor/Petitioner Company each shall, *ipso facto*, without any further application, act or deed stand cancelled on the effective date and no shares of the Transferee Company will be issued or allotted with respect to the equity shares held by the Transferee Company in the Transferor Company.
- 5 That as per Clause 12.1 of the Scheme of Amalgamation all employees of Transferor Company in service on the Effective Date shall be deemed to have become employees of Transferee Company with effect from the Appointed Date without any break, discontinuance or interruption in their service and on the basis of continuity of service and the terms and conditions of their employment with Transferee Company shall not be less favorable than those applicable to them with reference to Transferor Company on the Effective Date;
- 6 That on occurrence of the Effective Date, the entire Undertaking of the Transferor Company shall stand merged into the Transferee Company as per the Scheme of Amalgamation without any further act or deed.

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- 7 That the Transferor/Petitioner Company and the Transferee Company do within 30 days after the date of this Order cause a Certified Copy of this Order to be filed with the Registrar of Companies for registration and on such filing, the concerned Registrar of Companies shall place all documents relating to the Transferor/Petitioner Company and the Transferee Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said Transferor/Petitioner Company and Transferee Company shall be consolidated accordingly; and
- 8 That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

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**Examiner of Titles Department  
High Court of  
Andhra Pradesh  
Authorized under Section 70  
Indian Evidence Act.**

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**SCHEME OF AMALGAMATION  
BETWEEN  
MAG ENGINEERING PRIVATE LIMITED  
AND  
SANDHAR TECHNOLOGIES LIMITED**

**[Under Section 391 to Section 394 of the Companies Act, 1956 in  
respect of the Amalgamation of MAG Engineering Private Limited  
with Sandhar Technologies Limited]**

**PREAMBLE:**

**A. BACKGROUND OF COMPANIES:**

- I. WHEREAS Mag Engineering Private Limited ("MAG" or the Transferor Company) was incorporated originally as a Private Limited Company under the name and style of "MAG Finishers Private Limited" on 8<sup>th</sup> May, 1986, under the Companies Act, 1956 and the name of the Company subsequently got changed to Mag Engineering Private Limited on 18<sup>th</sup> day of August, 2004. The Company is presently having its registered office at C-101A, Ansal Plaza, HUDCO Place, Khelgaon Marg, New Delhi-110049. The Registered Office of the Company was earlier situated at 1A/1 I Main II Phase Peenya Industrial Area, Bangalore. The Registered Office of the Company has been recently shifted from the State of Karnataka to the National Capital Territory of Delhi vide the Order of the Regional Director dated 05.01.2013. The Company is engaged in the business of manufacturing, designing and fabrication of precision sheet metal components for, *inter-alia*, Infrastructure, Construction and Agri-farm Equipments.
- II. AND WHEREAS Sandhar Technologies Limited ("Sandhar" or the Transferee Company) is a Company originally incorporated under the Companies Act, 1956 on October 19, 1987 as a private limited

For MAG ENGINEERING PVT. LTD.

*Ainul Jaleel*

Director

Witnessed by *M*

*Ainul Jaleel*

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company under the name and style of "Sandhar Locking Devices Private Limited and the name of the Company subsequently got changed to Sandhar Technologies Limited on October 26, 2005. The Company is having its registered office at C-101A, Ansal Plaza, HUDCO Place, Khelgaon Marg, New Delhi-110049. The Company is primarily engaged in the manufacturing, assembly of Aluminum Die casted, Zinc Die casted, Plastic injection moulded and Sheet metal automotive components for Automobiles, Infrastructure, Construction and Agri-farm Equipments.

**B. RATIONALE OF THE SCHEME :**

- I. WHEREAS **Mag Engineering Private Limited** is the wholly owned subsidiary of **Sandhar Technologies Limited** and both the companies are engaged in businesses which can create synergies.
- II. AND WHEREAS the management of **Sandhar Technologies Limited** and **Mag Engineering Private Limited** are of the view that there is no purpose in having two separate entities especially when **Mag Engineering Private Limited** is a wholly owned subsidiary of the former and the ultimate beneficiary shareholders are the same. The management of both the companies are of the view that it would be prudent to amalgamate these two companies so as to form a single entity for better synergy of operations and administrative efficiency, for cost reduction and to have effective control over the affairs of the Transferor Company and Transferee Company. The Board of Directors of both the Companies have proposed to consolidate the Transferor Company and Transferee Company into a single company. The objective / benefits of the Scheme of Amalgamation is to create a single business entity which will in turn help them:
  - a) to manage their businesses more efficiently and effectively and for better co-ordination of the business activities;
  - b) to utilize their resources optimally;

For MAG ENGINEERING PVT. LTD.

AinD Jarko. -  
Director

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- c) to easily avail the finances required for their expansion and projects and to better negotiate the lending terms and conditions with the banks, financial institutions, etc.;
- d) to derive the benefit of synergies arising out of consolidation of business, such as, enhancement of net worth of the combined business;
- e) Improved alignment of debt and cash flows and Enhancement in earnings and cash flows visibility;
- f) Integration of the manufacturing and other facilities of the Transferor Company and the Transferee Company will contribute to the enhanced competitiveness for the consolidated entity;
- g) The interest of the existing employees of the Transferor Company shall be protected with continuity of employment, better utilization of manpower and an opportunity for enhancement of technical knowledge and expertise being provided.
- h) Proposed amalgamation will enable reduction in managerial overlaps, which are necessary involved in running multiple entities. The managerial expertise of Transferor Company would be combined giving additional thrust to the Transferee Company.
- i) The multiple locations of the Transferor Company with close proximity to the OEMs will help the Transferee Company in expanding its business.
- j) The plant and machinery and other assets of the Transferor Company would augment the asset base and thereby resulting in the optimal utilization of the resources and greater revenue inflow.
- k) The Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company.
- l) The proposed amalgamation is in line with current global trends to achieve size, scale, integration and greater financial strength and flexibility. The consolidated entity is likely to achieve higher long term financial returns than could be achieved individually by the Transferee Company.

For MAG ENGINEERING PVT. LTD.

*Ainul H. Khan*  
Director

*Ainul H. Khan*

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Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

**C. ABOUT THE SCHEME:**

- I. The present Scheme of Amalgamation has been formulated for the amalgamation of **MAG ENGINEERING PRIVATE LIMITED** with **SANDHAR TECHNOLOGIES LIMITED** under the provisions of Sections 391 to 394 of the Companies Act, 1956 for the transfer and vesting of all the properties, assets and liabilities of the Transferor company to and in the Transferee Company and for various other matters consequential or otherwise integrally connected with the Scheme ("Scheme").
- II. As the Registered Office of MAG Engineering Private Limited has been recently shifted from the State of Karnataka to the NCT of Delhi, therefore, the registered office falls within the territorial jurisdiction of Hon'ble High Court of Delhi at New Delhi. The Registered Office of Sandhar Technologies Limited also falls within the territorial jurisdiction of Hon'ble High Court of Delhi at New Delhi.
- III. Under the Scheme it is proposed to merge **MAG Engineering Private Limited** with **Sandhar Technologies Limited** in terms of Section 391 to 394 of the Companies Act, 1956 with the sanction of the Hon'ble High Court of Delhi at New Delhi (present jurisdictional High Court of the Transferor Company).
- IV. Under the Scheme, it is proposed that only the Transferor Company shall file all the applications / petitions under Section 391-394 of the Companies Act, 1956 for the sanctioning of the proposed Scheme before the Hon'ble High Court of Delhi at New Delhi and the Transferee Company shall not file any application or petition under sections 391-394 of the Companies Act, 1956 before the High Court of Delhi at New Delhi for sanction of this scheme as per the settled judicial pronouncements since the Transferor Company is a wholly-owned subsidiary of the Transferee Company and no new shares of the Transferee Company are to be issued under the provisions of the scheme therefore capital structure remains unaltered. Further, entire

For MAG ENGINEERING PVT. LTD.

*Ain D Jor*

Director

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shareholding of the transferor subsidiary company would stand cancelled. Both the Companies have Positive Net Worth and the Transferee Company has an excess of the assets over its liabilities therefore, this is not in any manner prejudicial to the members of either the subsidiary or holding companies or prejudicial to public interest. It does not affect the rights of the members or its creditors. The Scheme to be sanctioned is the Self-Scheme either for the Transferor Company or the Transferee Company. The Transferee Company shall be entitled, pending the sanction of the scheme, to apply to any Governmental Authority, under any law for consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

- V. In this regard, it is hereby clarified that the Order of the High Court would be deemed for all purposes to be an Order under Section 391-394 of the Companies , 1956 for sanctioning of the proposed scheme for both the Companies and will be binding on both the Companies and all concerned.

For MAG ENGINEERING PVT. LTD.

*Ain D Jorlo*

Director

*Ain D Jorlo*

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High Court of Madras  
Authenticated Under Section 79  
Indian Evidence Act.

**1. DEFINITIONS**

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

- 1.1 "Act" means the Companies Act, 1956 or any statutory modifications or re-enactments thereof, or amendments thereto, from time to time and for the time being in force.
- 1.2 "Appointed Date" means 1<sup>st</sup> April, 2012.
- 1.3 "Effective Date" means the date on which the last of the approvals or sanctions specified in the Scheme shall have been obtained and Copies of the Order of the Hon'ble High Court of Delhi at New Delhi have been filed with the Registrar of Companies by Sandhar Technologies Limited and MAG Engineering Private Limited as required under the provisions of the Companies Act, 1956, and if copies are filed on different dates, the last of the dates.
- 1.4 "Governmental Authority" means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any Court, Tribunal, Board, Bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction;
- 1.5 "High Court" shall mean the High Court of Delhi at New Delhi having jurisdiction in relation to the Transferor Company and the said term shall, include the National Company Law Tribunal, as and when applicable.
- 1.6 "Scheme" means this Scheme of Amalgamation in its present form or with modification(s) approved or imposed or directed by the Hon'ble High Court of Delhi at New Delhi, as the case may be.

For MAG ENGINEERING PVT. LTD.

*AinD Jor*  
Director

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High Court of Delhi  
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Indian Evidence Act

- 1.7 **"Transferor Company"** means MAG Engineering Private Limited, a Company incorporated under the Companies Act, 1956 and having its registered office presently at C-101A, Ansal Plaza, HUDCO Place, Khelgaon Marg, New Delhi-110049..
- 1.8 **"Transferee Company"** means Sandhar Technologies Limited, a Company incorporated under the Companies Act, 1956 and having its registered office at C-101A, Ansal Plaza, HUDCO Place, Khelgaon Marg, New Delhi-110049.
- 1.9 **"Undertaking of the Transferor Company"** means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):
- (a) all assets and property of the Transferor Company wherever situated, whether current or fixed, movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent, as on the Appointed Date (hereinafter referred to as "the said assets");
  - (b) All debts, liabilities including contingent liabilities, sundry creditors, bank liabilities in whatsoever form, duties, undertakings, charges and obligations of the Transferor Company as on the Appointed Date (hereinafter referred to as "the said liabilities");
  - (c) All registrations, agreements, rights, claims, privileges, contracts, entitlements, assignments, grants, permits, licences, approvals, authorizations, concessions, consents, engagements, arrangements, reversions, powers, sanctions, permissions, quotas, subsidies, special status, incentives, exemptions, relaxation, liberties, tax and other benefits, exemptions and incentives arising out of any law or programmes or policies of the Government or any municipal or other authority or otherwise, whether past, present or future, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, and all other

For MAG ENGINEERING PVT. LTD.

*AinD Jals.*

Director

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approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations;

- (d) Without prejudice to the generality of the sub-clause (a) to (c) above, the Undertaking of the Transferor Company shall include all the Transferor Company's reserves, provisions and authorized share capital, application money(s), movable and immovable properties including land and buildings, plant and machinery, capital work in progress, goods in transit, stocks, investments, application monies, cash and bank balances, bills of exchange, bank guarantees, postdated cheques, receivables, credits, deposits, claims, powers, authorities, allotments, leasehold rights, tenancy rights, entry and occupation rights, approvals, consents, registrations, contracts, ISI/BIS marks, engagements, arrangements, rights, titles, interests, benefits, club memberships, advantages, other intangibles, industrial and other licenses, permits, authorizations, quota rights, goodwill, trademarks, patents and other industrial and intellectual property rights, including domain names, websites, copyrights, designs, records, engineering and process information, technology, computer programs, import quotas, telephones, telex, facsimiles and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits, grants and approvals of whatsoever nature and wherever situated, available under any rule, regulations, statute including direct and indirect taxes, all tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under excise laws, service tax laws, value added tax (VAT), purchase tax, sales tax or any other duty or tax or cess or imposts under any Central or State law including sales tax benefits/exemptions/deferrals, modvat/cenvat benefit and customs duty benefits/exemptions (including EPCG licenses), Minimum Alternate Tax ("MAT") paid under Section 115JA/115JB of the Income Tax Act, 1961 ("IT Act") advance taxes, tax deducted at source, right to carry forward and set-off unabsorbed losses, if any, and depreciation, MAT credit, deductions

For MAG ENGINEERING PVT. LTD.

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and benefits under the IT Act or any other taxing statute electricity duty benefits/rebates, , stamp duty benefits/exemptions, ,and awards citations or any other benefits/exemptions given by Central or State Government belonging to or in the ownership, power or possession or control of the Transferor Company.

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

In this Scheme where the context so requires, words importing the singular number shall include the plural number.

## 2. SHARE CAPITAL

### 2.1 Transferor Company

- a) As per the latest Audited Annual accounts of the Transferor Company as on **31st March 2012**, the Authorized Share Capital and the Issued, Subscribed and Paid-up share capital of the Transferor Company is as under:

|                                                      | Rs.         |
|------------------------------------------------------|-------------|
| <b>Authorised Share Capital:</b>                     |             |
| 5,00,000 Equity Shares of Rs 100/- each              | 5,00,00,000 |
| <b>Issued, Subscribed and Paid-up Share capital:</b> |             |
| 309420 Equity Shares of Rs. 100/- each fully paid    | 30,942,000  |

The entire Issued, Subscribed and Paid-up equity share capital is held by the Transferee Company, the holding company of the Transferor Company along with its nominee.

For MAG ENGINEERING PVT. LTD.

*Ain D. K. W.*  
Director

*Ain D. K. W.*

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- b) As on date, the Authorised share capital and the Issued, Subscribed and Paid-up share capital of the Transferor Company remained the same.

**2.2 Transferee Company:**

- a) As per the latest Audited Annual accounts of the Transferee Company as on **31st March 2012**, the Authorized share capital and the Issued, Subscribed and Paid-up share capital of the Transferee Company is as under:

|                                                         | Rs.                |
|---------------------------------------------------------|--------------------|
| <b>Authorised Share Capital</b>                         |                    |
| i) 11,57,50,000 Equity Shares of Rs 2/- each            | 231,500,000        |
| ii) 2,00,000 Preference Shares of Rs 100/- each         | 20,000,000         |
| <b>Total Authorised Share Capital</b>                   | <b>251,500,000</b> |
| <b>Issued, Subscribed and Paid-up Share capital</b>     |                    |
| i) 4,68,68,850 Equity Shares of Rs. 2/- each fully paid | 93,737,700         |

- m) As on date, the Authorised Share capital and the Issued, Subscribed and Paid-up share capital of the Transferee Company remained the same.

**3. TRANSFER OF UNDERTAKING OF THE TRANSFEROR COMPANY**

- 3.1 With effect from the Appointed Date, the Undertaking of the Transferor Company shall, pursuant to the provisions contained in Sections 391 to 394 and other applicable provisions of the Act, stand succeeded/transferred to and vest in or be deemed to be

For MAG ENGINEERING PVT. LTD.

*Amind Jais*

Director

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succeeded/transferred to and vested in the Transferee Company on a going concern basis without any further act, deed matter or thing (save as provided in Clause 3.2 below) so as to become on the Appointed Date, the assets (subject to encumbrances and charges, if any existing thereon) or liabilities of the Transferee Company. Provided always that the Scheme shall not operate to enlarge the scope of security for any loan, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create or provide any further or additional security thereof after the Effective Date or otherwise.

- 3.2 In respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same may be so transferred by the Transferor Company without requiring any deed or instrument of conveyance for transfer of the same, and shall become the property of the Transferee Company as an integral part of the Undertaking of the Transferee Company pursuant to the provisions of section 394 of the Act.
- 3.3 In respect of such of the assets belonging to the Transferor Company other than those referred to in sub-clause 3.2 the same shall, as more particularly provided in sub-clause 3.1, without any further act, instrument or deed, stand succeeded and transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.
- 3.4 Each of the moveable assets (other than those specified in sub-clause 3.2), including sundry debtors, receivables, bills, credits, outstanding loans and advances recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with government, semi-government, local and other authorities and bodies, forming part of the Undertaking, shall, without any further act, instrument or deed be succeeded and transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company pursuant to the provisions of the Act and appropriate entries shall be made in the books of accounts of the Transferee Company to record the aforesaid change.

For MAG ENGINEERING PVT. LTD.

*Ainul Jorlo*

Director

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- 3.5 The Transferee Company may inform in such manner as it may deem fit and proper to each debtor or depositor (as the case may be) of the Transferor Company that pursuant to the High Court having sanctioned this Scheme under Sections 391 to 394 of the Act, the said debts, loans and or advances specified in sub-clause 3.4 be paid or made good or held on account of, as the case may be, the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Company to recover or realize the same do stand transferred to the Transferee Company and that appropriate entry should be passed in their respective books to record the aforesaid change.
- 3.6 All debts, liabilities, duties and obligations of every kind, nature and description forming part of the Undertaking of the Transferor Company shall also under the provisions of Sections 391 to 394 of the Act, without any further act, deed of instrument be and stand transferred or deemed to be transferred to, and vested with, the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company and further, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations arise in order to give effect to the provisions of this clause.
- 3.7 The charges of the secured creditors on any asset or undertaking of the transferor company shall continue on those assets in the transferee company without any further act or deed;
- 3.8 Upon this Scheme becoming effective, all loans, debts, liabilities, contingent liabilities or other obligations due between or amongst the Transferor Company and the Transferee Company, if any, shall stand discharged and there shall be no liability in that behalf.
- 3.9 All cheques and other negotiable instrument, payment orders received in the name of the Transferor Company after the Effective Date shall be accepted by the Bankers of the Transferee Company and credited to the account of the Transferee Company. Similarly, the Bankers of the

For MAG ENGINEERING PVT. LTD.

*Ainul H.*

Director

*Ainul H.*

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Transferee Company shall honour cheques issued by the Transferor Company for payment after the Effective Date.

#### **4. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS**

- 4.1 Subject to the other provisions of the Scheme, all contracts, deeds, agreements, bonds and other instruments of whatsoever nature to which the Transferor Company are party, subsisting or having effect immediately before or after the Effective Date, shall remain in full force and effect against or in favour of the Transferee Company and shall be binding on and be enforceable by and against the Transferee Company as fully and effectually as if it had at all material times been a party or beneficiary or obligee or obligor thereto or there under.
- 4.2 The Transferee Company shall be entitled to refund and/or set off all amounts paid by either of the Transferor Company or the Transferee Company under the Central Excise Act, 1944 towards excise duty paid on the export sales or disputed amount under appeal, if any, upon this scheme being effective.
- 4.3 It is expressly clarified that upon the Scheme becoming effective, all taxes/ duties payable or paid (including TDS/ TCS, self assessment tax, Minimum Alternative Tax, advance tax) and all refunds of claims receivable or received by the Transferor Company from the Appointed Date onwards shall be treated as the tax liability, credits or refunds of claims, as the case may be, of the Transferee Company.
- 4.4 The Transferee Company shall be entitled to file/revise its statutory returns and related tax payment certificate and to claim refunds, advance tax credits etc. as may be required upon this Scheme being effective.
- 4.5 For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that on the coming into effect of this Scheme, all consents, permissions, licences, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the

**For MAG ENGINEERING PVT. LTD.**

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Transferor Company in relation to its Undertaking 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. The Transferee Company shall obtain relevant approvals from the concerned Governmental Authority, as may be necessary in this behalf.

- 4.6 Any contracts between the Transferor Company with the Transferee Company shall stand adjusted and vest in the Transferee Company upon this Scheme being effective.

#### 5. DATE WHEN SCHEME COMES INTO OPERATION

- 5.1 This Scheme though operative from the Appointed Date, shall be effective on and from the Effective Date. The Appointed Date has been determined after the Transferee Company had in-principle decided to acquire / purchase the Transferor Company in the financial year 2012-2013, the Transferee company had commenced the borrowings for this purpose.

#### 6. CONDUCT OF BUSINESS OF THE TRANSFEROR COMPANY UNTIL THE EFFECTIVE DATE

- 6.1 With effect from the Appointed Date and upto and including the Effective Date, the Transferor Company shall:
- (a) carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company and all the incomes or profits accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any paid or accruing in respect of any profits and income) by them shall for all purposes be treated and be deemed to be and accrue as the income or profits or, expenditure or losses (including taxes) of the Transferee Company, as the case may be;

For MAG ENGINEERING PVT. LTD.

*Ainul H. K.*

*Ainul H. K.*

Director  
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Examiner of Accounts Department

- (b) All taxes (including income tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor Company in respect of its operations and/or the profits of the business upto the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operations of its business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- (c) Any of the rights, powers, authorities and privileges attached or related or pertaining to the Undertaking and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, relating or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for the Transferee Company.
- (d) carry on its business with reasonable diligence and shall not without the prior written consent of the Transferee Company alienate, charge or otherwise deal with or dispose off the Transferor Company' Undertaking or any part thereof, except as is necessary in the ordinary course of business;
- (e) not, without the prior written consent of the Transferee Company, undertake any new business or substantial expansion of its existing business or change the general character or nature of its existing business ;

For MAG ENGINEERING PVT. LTD.

*Arindam*

Director

*Arindam*

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*Arindam*

- (f) not without the prior written consent of the Transferee Company, make any change in its capital structure (except sub-division), whether by way of increase, decrease, reduction, reclassification, or consolidation, re-organisation or in any other manner except with the consent of the Board/Committee of Directors of the Transferee Company.

- 5.2 The succession/transfer and vesting of the properties and liabilities and the continuance of the proceedings by the Transferee Company and/or the contracts, etc. shall not affect any transaction or proceedings already concluded by the Transferor Company in the ordinary course of business on and after the Appointed 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 Transferor Company in the ordinary course of business.

## 7. CANCELLATION OF SHARE CAPITAL OF TRANSFEROR COMPANY

- 7.1 The Transferor Company is the wholly-owned subsidiary of the Transferee Company. The entire paid-up equity share capital of the Transferor Company is held by the Transferee Company and nominee of the Transferee Company. Therefore, upon this Scheme being effective, the entire Issued, Subscribed and paid up share capital of Rs. 30,942,000/- (Three Crores Nine Lacs Forty Two Thousand) divided into 309,420 (Three Lacs Nine Thousand and Four Hundred and Twenty) Equity Shares of Rs. 100/- of the Transferor Company each shall, *ipso facto*, without any further application, act or deed stand cancelled on the Effective Date and no shares of the Transferee Company will be issued or allotted with respect to the Equity shares held by the Transferee Company in the Transferor Company.

- 7.2 The share certificates issued by the Transferor Company in relation to its equity shares and preference shares shall, without any further

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*Amind k. k.*

Director

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application, act, deed or instrument be deemed to be and stand automatically cancelled as on the Effective Date.

**8. MERGER OF AUTHORISED CAPITAL OF TRANSFEROR COMPANY**

- 8.1 Upon this Scheme being effective, the Authorised Share Capital of the Transferor Company would add to the Authorised Share Capital of the Transferee Company and the Authorised Share Capital of the Transferee Company would stand increased to that extent without any further action or deed, or the payment of any stamp duty / Registrar of Companies' fees and without compliance of the provisions of Section 94, 95 and 97 or any other applicable provisions of the Companies Act, 1956.

**9 ALTERATIONS/AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF TRANSFEE COMPANY**

- 9.1 With respect to the Transferee Company, upon this Scheme becoming effective the Memorandum of Association of the Transferee Company shall stand altered and amended without any separate approval from the shareholders of the Transferee Company pursuant to section 17 of the Act or without any further act or deed, or without following the procedure laid down under the Act, by way of amendment/substitution of the clause V of the Memorandum of Association so as to read as below:

(V) Authorised Share Capital is Rs. 30,15,00,000/- (Rupees Thirty Crores Fifteen Lacs only) divided and classified into 14,07,50,000 (Fourteen Crores Seven Lacs and Fifty Thousand) Equity Shares of Rs 2/- (Rupees Two) each and 2,00,000 (Two Lacs) Preference Shares of Rs 100/- (Rupees Hundred) each.

For MAG ENGINEERING PVT. LTD.

*Ainul Jaleel*

Director

*Ainul Jaleel*

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**10. DIVIDEND, PROFITS, RIGHTS AND BONUS SHARES**

- 10.1 The Transferor and the Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to its respective shareholders in respect of the financial year and accounting period prior to the Appointed Date. The Transferor Company may declare and pay dividend to its shareholders for any financial year or any period prior to the Effective Date provided that if such dividend is for any period commencing from and after Appointed Date, the Board of Directors of the Transferor Company shall obtain the prior consent of the Board of Directors of the Transferee Company before such recommendation to the members of the Transferor Company. The Transferor Company shall not transfer any amount from the reserves or the amount lying to the credit to the Profit & Loss Account on the Appointed Date for the purpose of the payment, without consent of the Transferee Company.
- 10.2 Until the coming into effect of this Scheme, the holders of shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Articles of Association including their right to receive dividend.
- 10.3 It is however clarified that the aforesaid provision in respect of declaration of dividend is an enabling provision only and shall not be deemed to confer any right on any member of the Transferor Company to demand or claim any dividend which shall be entirely at the discretion of the Board of Directors of the Transferor Company and the Transferee Company and subject to the provisions of the Act.
- 10.4 The Transferor Company shall not issue or allot after the Appointed Date any right shares, bonus shares or other shares out of its authorized or non-issued Share Capital for the time being without the consent of the Transferee Company.

For MAG ENGINEERING PVT. LTD.

*Amin Jaisi*

Director

*Amin Jaisi*

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Examined by  
*Amin Jaisi*  
 Department  
 of  
 Accounts

**11. LEGAL PROCEEDINGS**

- 11.1 All suits, claims, actions and proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as the same had been instituted by or pending and/or arising against the Transferee Company.

**12. EMPLOYEES OF THE TRANSFEROR COMPANY**

- 12.1 All the employees of the Transferor Company who are in the employment on the Effective Date 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 the vesting of the Undertaking of the Transferor Company in the Transferee Company under this Scheme and that the terms and conditions of services applicable to them on the Effective Date will not in any way be less favourable to them, than those applicable to them immediately before the Effective Date as aforesaid. It is clarified that the employees of the Transferor Company who become employees of the Transferee Company by virtue of this Scheme, shall not be entitled to the employment policies and shall not be entitled to avail of any schemes and benefits that may be applicable and available to any of the employees of the Transferee Company unless otherwise determined by the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, entered into by any Transferor Company with any union/ employee. After the Effective Date, the Transferee Company shall be entitled to vary the terms and conditions as to employment and remuneration of the said employees or any of them on the same basis as it may do for the employees of the Transferee Company. In any case, the terms of employment of those employees will not be in any way detrimental to the interests of the employees.
- 12.2 On the coming into effect of this Scheme, the Transferee Company shall stand substituted for the Transferor Company for all purposes whatsoever relating to the administration or operation of or in relation to the obligation to make contribution to the Provident Fund, Gratuity Fund,

For MAG ENGINEERING PVT. LTD.

*Avinash K. S.*

Director

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*Ms.*  
Examination Department

Pension and or Superannuation Fund or any other Special Fund created or existing for the benefit of staff, workmen and other employees (including former employees) of the Transferor Company (collectively referred to as the "Funds") in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds and the investments made out of such Funds shall, at an appropriate stage, be transferred to the Transferee Company to be held for the benefit of the concerned employees. The Funds shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, either be continued as separate funds of the Transferee Company for the benefit of the employees of the Transferor Company or be transferred to and merged with other similar funds of the Transferee Company. It is the aim and intent of the Scheme that all the rights and duties and powers and obligations of the Transferor Company in relation to such Funds or Trusts shall become those of the Transferee Company.

### 13. DISSOLUTION WITHOUT WINDING UP

- 13.1 Upon this Scheme being effective, the Transferor Company shall be dissolved without going through the process of winding up and no person shall make assert or take any claims, demands or proceeding against a director or officer thereof in his capacity as such director or officer except in so far be necessary for enforcing the provisions of this Scheme.

### 14. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 14.1 On 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 upper monetary or other limits approved under the provisions of the Act, or under any other applicable provisions, then the said limits shall be added to the limits, if any, imposed under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

For MAG ENGINEERING PVT. LTD.

*Avinash Joshi*

Director

*Avinash Joshi*

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**15. APPLICATIONS TO THE HIGH COURT**

- 15.1** The Transferor Company shall with all reasonable despatch, make and file all applications/petitions under Section 391 and 394 and other applicable provisions of the Act before the Hon'ble High Court of Delhi at New Delhi (present jurisdictional High Court) for sanction of this Scheme and for dissolution of the Transferor Company without winding up under the provisions of law and shall apply for all such approvals as may be required under the law.
- 15.2** The Transferee Company shall not file any application or petition under sections 391-394 of the Companies Act, 1956 before the High Court of Delhi at New Delhi for sanction of this scheme as per the settled judicial pronouncements, since the Transferor Company is a wholly-owned subsidiary of the Transferee Company and no new shares of the Transferee Company are to be issued under the provisions of the scheme therefore capital structure remains unaltered. Further, entire shareholding of the Transferor subsidiary company would stand cancelled. Both the Companies have Positive Net Worth and the Transferee Company has an excess of the assets over its liabilities therefore, this is not in any manner prejudicial to the members of either the subsidiary or holding companies or prejudicial to public interest. It does not affect the rights of the members or its creditors.

In this regard, it is hereby clarified that the Order of the High Court would be deemed for all purposes to be an Order under Section 391-394 of the Companies , 1956 for sanctioning of the proposed scheme for both the Companies and will be binding on both the Companies and all concerned.

**16. MODIFICATION OF THE SCHEME**

- 16.1** The Board of Directors or any committee thereof or any Director or by their respective executive or officer authorised in that behalf of the Transferor Company and the Transferee Company (herein after refer to as the " Delegate"), in their full and absolute discretion may assent to any

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*Ainud Jel.*  
Director

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*Ainud Jel.*

Examination

modification or amendment to the Scheme which the High Court of Delhi at New Delhi and/or any other competent authority may deem fit to approve/impose and effect any other modification or amendment which the Delegate may consider necessary or desirable and give such direction for settling any question, doubt or difficulty arising under the Scheme or in regard to its implementation or any other matter connected therewith (including any question, doubt or difficulty arising in connection with any deceased or insolvent shareholder of the Transferor Company or the Transferee Company) or to review the position relating to the satisfaction of any conditions of this Scheme and if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties in the same manner as if the same were specifically incorporated in the Scheme. For the avoidance of doubt, it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or of the Transferee Company to be obtained for any matter, the same may be given through their Delegates. In the event that any modification or amendment to the Scheme is unacceptable to the Transferor Company and/or the Transferee Company for any reason whatsoever, the Transferor Company and/or Transferee Company shall be at liberty to withdraw from the Scheme at any time.

## 17. APPROVALS

- 17.1 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require to own the Undertaking and to carry on the business of the Transferor Company.

## 18. SCHEME CONDITIONAL ON APPROVAL AND SANCTION

- 18.1 The Scheme is conditional upon and subject to:
- (a) The Scheme being agreed to by the requisite majority of members of the Transferor Company and by such other persons as may be

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required under the act and as may be directed by the High Court of Delhi at New Delhi, on the application made for directions under Section 391-394 of the Act for dispensing with meetings and necessary resolution(s) been passed under the Act for the purpose;

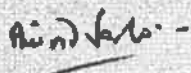
- (b) All approvals, under any law including sanction of any Government Authority as may be required by law to be obtained prior giving effect to this Scheme; and
- (c) the filing of the necessary certified copies of Order(s) of the High Court of Delhi, sanctioning the Scheme, being filed by the Transferor Company and the Transferee Company with the Registrar of Companies, New Delhi.

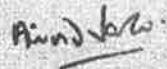
**19. EFFECT OF NON-RECEIPT OF APPROVAL AND SANCTIONS**

- 19.1 The Board of Directors of the Transferor Company and the Transferee Company shall be at liberty to withdraw from this Scheme in case any condition or alteration imposed by any authority is unacceptable to either of them.
- 19.2 In case the Scheme is not sanctioned by the High Court, for any reason whatsoever or for any other reasons, the Scheme cannot be implemented, the Scheme will become null and void and be of no effect and in that event no rights and/or liabilities shall accrue to or be incurred inter-se by the Transferor Company and the Transferee Company and the parties shall bear and pay their respective costs and expenses incurred in connection with or relating to the Scheme or pursuant thereto.
- 19.3 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, refunds, credits, duty draw back, rebates, sales tax deferment, EPCG licenses, incentives, concessions etc. and authorizations, shall stand vested and permitted or continued by the order of sanction of the High Court of Delhi at New Delhi, the Transferee Company shall file

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Director



the Scheme, for the record of the statutory authorities who shall take it on file, pursuant to the sanction of order of the High Court of Delhi.

**20. SETTLEMENT OF DIFFERENCE OR ISSUE THROUGH ARBITRATION**

- 20.1 If any doubt or difference or issue arise between the parties hereto or any of their shareholders, creditors, employees and any other as to the construction hereof or as to any account, valuation or apportionment to be taken or made of any asset or liability vested under this Scheme or as to the accounting treatment thereof or as to anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration of a sole arbitrator appointed by the consent of both the parties and law of arbitration, as in force shall apply.

**21. ACCOUNTING TREATMENT AND COMPLIANCE WITH SECTION 211 OF THE COMPANIES ACT, 1956:**

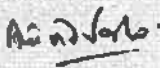
- 21.1 Upon this Scheme being effective, the Transferee Company shall account for the amalgamation/ merger in its books, as per the "Purchase Method" under the Accounting Standard No. AS 14 "Accounting for Amalgamation" issued by the Institute of Chartered Accountants of India:
- 21.2 The provisions of Section 211 of the Companies Act, 1956 and the rules, guidelines, regulations, if any, made there under and for the time being in force, shall be applicable with regard to the Accounting Treatment for Transferor and the Transferee companies relating to this Scheme.

**22. ERRORS OR OMISSIONS:**

Any error, mistake, omission, commission which is apparent and / or absurd in the Scheme should be read in a manner which is appropriate to the intent and purpose of the Scheme and in line with the preamble as mentioned hereinabove.

For MAG ENGINEERING PVT. LTD.

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Director

  
Examiner, Judicial Department  
High Court of Delhi of

**23. COSTS AND EXPENSES:**

All costs, charges and expenses of the Scheme of Amalgamation in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and / or incidental to the completion of the same in pursuance of this Scheme shall be borne and paid by the Transferee Company.

|                                                                                                                                                                                                                              |                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Transferor Company</b><br/> <b>For MAG ENGINEERING</b><br/> <b>PRIVATE LIMITED</b></p> <p>For MAG ENGINEERING PVT. LTD.</p> <p><i>Arvind Joshi</i><br/> Director</p> <p><b>(Arvind Joshi)</b><br/> <b>Director</b></p> | <p><b>Transferee Company</b><br/> <b>For SANDHAR</b><br/> <b>TECHNOLOGIES LIMITED</b></p> <p><i>Arvind Joshi</i></p> <p><b>(Arvind Joshi)</b><br/> <b>Chief Financial Officer &amp;</b><br/> <b>Company Secretary</b></p> |
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**Examiner of Accounts Department**  
**High Court of India at**  
**Authorized under Section 78**  
**Indian Evidence Act**

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**PART-I**

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

**MAG ENGINEERING PRIVATE LIMITED- TRANSFEROR COMPANY**

|   | Situation/<br>Location                                                             | Area           | Khasra/ Taluka No.  |
|---|------------------------------------------------------------------------------------|----------------|---------------------|
| 1 | Plot No 34/B, Peenya 2 <sup>ND</sup><br>phase Industrial area,<br>Bangalore-560058 | 8107 Sq. Mtrs. | Survey Nos. 35 & 36 |
| 2 | Plot No 46A, Peenya 2 <sup>ND</sup><br>Phase Industrial area,<br>Bangalore-560058  | 8276 Sq. Mtrs. | Survey No 33        |

**PART-II**

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

**MAG ENGINEERING PRIVATE LIMITED- TRANSFEROR COMPANY**

| S. No. | Situation/<br>Location | Area | Khasra/ Taluka No. |
|--------|------------------------|------|--------------------|
| 1      | Nil                    | Nil  | Nil                |

**PART -III**

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

**MAG ENGINEERING PRIVATE LIMITED- TRANSFEROR COMPANY**

| S.No. | Particulars |
|-------|-------------|
| 1.    | NIL         |

Dated this the 2<sup>nd</sup> Day of May, 2013  
By order of the Court

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Examiner Judicial Department  
High Court, Bangalore

- 54/-  
Joint Registrar (Co.)  
for Registrar General

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Date of Presentation of Application 9/8/2013  
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Total 1607  
Name of Adarika Ghose Adarika  
Date of 30/5/13  
for Copy 30/5/13  
Date of 30/5/13  
Date of 30/5/13

Administrative Officer (Original)  
High Court of Delhi  
New Delhi



30/5/2013

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