
**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF
JAIN IRRIGATION SYSTEMS LIMITED**

AS ON _____



प्रारूप० आई० आर०
Form I. R.

निगमन का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

ता० का सं०
No. 42028 of 19 86

मैं एतद्वारा प्रमाणित करता हूँ कि आज

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

I hereby certify that JAIN IRRIGATION SYSTEMS
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 को दिया गया।

Given under my hand at BOMBAY this THIRTIETH
day of DECEMBER One thousand nine hundred and EIGHTYSIX.



(C.R. MEHTA)

कम्पनियों का रजिस्ट्रार

Registrar of Companies
Maharashtra

CERTIFIED TRUE COPY
For Jain Irrigation Systems Ltd.

(A. V. Ghodgaonkar)
Company Secretary

No. 42028



सत्यमेव जयते

कारबार प्रारम्भ करने के लिए प्रमाण-पत्र
Certificate for Commencement of Business

कम्पनी अधिनियम, 1956 की धारा 149 (3) के अनुसरण में
Pursuant of Section 149 (3) of the Companies Act, 1956

मैं एतद्वारा प्रमाणित करता हूँ कि

जो कम्पनी अधिनियम, 1956 के अधीन तारीख को निगमित की गई थी और जिसने आज विहित प्ररूप में सम्यक् रूप से सत्यापित घोषणा फाइल कर दी है कि उक्त अधिनियम की धारा 149(1) (क) से लेकर (घ) तक/149(2) (क) से लेकर (ग) तक की शर्तों का अनुपालन किया गया है, कारबार प्रारंभ करने की हकदार है।

I hereby certify that the **JAIN IRRIGATION SYSTEMS LIMITED**

which was incorporated under the Companies Act, 1956, on the **THIRTIETH** day of **DECEMBER**, 19 **86**, and which has this day filed a duly verified declaration in this prescribed form that the conditions of section **149(1) to (g)** of the said Act, have been complied with is entitled to commence business.

मेरे हस्ताक्षर से यह तारीख को
में दिया गया।

Given under my hand at **BOMBAY** this **TWENTY** day of **JANUARY**, **One thousand nine hundred** and **Eighty seven**

(**V. RADHAKRISHNAN**)
कम्पनियों का रजिस्ट्रार

ADDL. Registrar of Companies



NGBTC-470-19 Genl. Adm./75-76-GIPTC-(C-423)-25-2-76-4,000.

CERTIFIED TRUE COPY

For Jain Irrigation Systems Ltd.

(**A. V. Ghodgaonkar**)
Company Secretary

**THE COMPANIES ACT, 1956
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
JAIN IRRIGATION SYSTEMS LIMITED**

I. The Name of the Company is JAIN IRRIGATION SYSTEMS LIMITED.

II. The Registered office of the Company will be situated in the State of Maharashtra.

III. Objects for which the Company is established are:

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

1. To carry on the business of designers, developers, manufacturers , producers , fabricators, assemblers, merchants, dealers, exporters, importers, sellers, resellers , hirers, installers and repairers of all types of irrigation equipment , irrigation systems, micro-irrigation systems, sprinklers, popups , rain spray, RIS, valves and control equipments , hydro rain, Biwall and fittings, controllers , Drip emitters of all types and drip irrigation systems, fertilizer, injection pumps, sand filters, screen filters, fittings, L.D. Polyethylene tubing, Pressure gauges and adapters , sand separators, spray nozzles, sprinklers, tensiometers , hydraulic valves , solenoid valves , solenoid anti-contamination valves and solenoid pressure reducing valves, fertiliser applicators, agricultural implements , tools, pumps, drilling equipments, casting tubes, manures , plant protection equipments , cold storage and refrigeration systems and to develop, design, produce, process and fabricate, accessories, components , implements , spare parts required for irrigation services and sink wells, construct dams, bandhs , culverts, cisterns, reservoir and filter beds and to provide main and other pipes and appliances.
- IA To carry on the business of manufacturers , Processors , buyers, sellers, dealers, importers, exporters of plastic & other polymers , pipes and fittings, plastic film, plastic paper, plastic foil, plastic jute , plastic textiles , plastic boards , plastic laminates and packaging materials and all types of extruded, moulded, formed & fused products.
- IB. To carry on business of manufacturing refining and preparing all kinds and description of solid, liquid, chemical and bio fertilizers, micro nutrients, plant nutrients and to carry on any operation or processes of mixing, granulating different chemicals or fertilizers and for that purpose to carry out acquisition,

creation, leasing of movable, immovable, intellectual and other properties , equipment, machinery , accessories, utilities, technology, know-how process etc.

- IC. To carry on business of Bio Pesticides and crop protection products and/or all formulations for use of plants and/or human being.
- ID. To carry on the business of producing , propagating , exporting, selling, dealing in products of Tissue Culture plants of all kinds, ornamental or otherwise with the help of bio-technology and use of tissue culture as a technique of cloning genetically superior mother plants for the purpose of multiplication and to obtain true to type genotypes, disease free plants.
- IE. To carry on the business of cultivation, procurement , purchase , process , export, deal, market , trade, manufacture , deep freeze, canning, spray drying, dehydration, preservation of fresh onions and vegetables and fruits of all kinds and description.

(Amended Vide Scheme of Amalgamation of Jain Plastics & Chemicals Ltd., Jain Keniira Fertilizers Ltd. & Jain Rahan Biotech Ltd. with Co. approved by the Hon'ble High Court of Judicature, Bombay on 30.03.98)

- IF. To carry on the business of growers, cultivators and planters, breeders , assemblers , processors , purifiers of all types of agricultural seeds and vegetables.

(Included vide resolution passed in AGM dated 4th May, 1998)

- IG. Left blank intentionally

- IH. "To carry out in India and in any part of the world, business of manufacturing , processing , converting , formulating, using, acquiring, storing, packing , freezing, dehydrating , drying, canning, bottling , flexible pouching etc. selling, distribution , importing, exporting and trading in food stuff and food products of every description including but not limited to Fruits, Vegetables , Milk, Butter, Spices whole or grounded Cream, Cheese, Oil, Fruits, Vegetables , Honey, Sausages, Confectionery , Papads, Pickles, Sugar, Jams, Jelly, Food, Grains, Pulps, concentrates , Puree, clarified Juice concentrates , squash, FruitJuices , Nectars , Syrup, Aromas , Concentrates , flavors, essences, Beverages, Drinks, Distillers , and masters in all its branches for human , animal or poultry consumptions."

(Included vide Scheme of Arrangement of Jain Processed Foods Pvt. Ltd. with Co. approved by the Hon'ble High Court of Judicature, Bombay on 30.9.2003)

- II. To carry on the business relating to mining and working of granite, marble, slate, sand stone or any other type of stone, chips, tiles, slabs and sand quarries and to excavate, raise produce, prepare for market, construct, establish, improve, maintain, develop, grant, licenses, manage, carry out control posses, invest in such quarries or mines either by lease, purchase , mortgage, enfranchise, hire gift or otherwise acquire, confer in any exclusive or non exclusive unlimited or limited rights and also to tum into account such quarries mines or the properties or rights so acquired.
- IJ. To carry on the business o Mining, extracting, raising, trading, purifying and cleaning of any type of sands, stones, ores and minerals to cut, shape, size, polish, grind and also make slabs, monumental stones and stand blasting of any type of stone.
- IK. To carry on business of building of stones, making and utilizing stone chips sand ballasts and such other things connected with the operating of such quarried in any way which may seem calculated either directly or indirectly to benefit the company to search for, get, work, make merchantable , buy, sell, import, export, manipulate, trade, prepare for and deal in all types of items referred to above.
- IL. To carry on the business of export of all or any or such finished or raw and other item referred to above.

(Clause 11 to IL included vide scheme of Amalgamation of Gowtham Granites Pvt. Ltd. with the Company approved by BIFR/AAIFR dated. 06.01.2005 and 01.02.2005.)

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

2. Acquisition

To acquire by purchase or on lease or assignement or under any other arrangement or understandings upon payment of consideration by way of outright payment or by rent, royalty or otherwise for ever or for certain period the Trade name, Trade mark, concern or concerns in carrying on the business or dealing in the products, goods and commodities for which the Company is authorised.

3. License, Permission

To apply for, tender, purchase or otherwise acquire any contracts, sub-contracts , licences, permissions

and concessions for or in relation to the objects or business herein mentioned or any of them and to undertake execute, carry out, dispose of or otherwise turn to account the same.

4. Purchase of Assets

To purchase, construct, take on lease or on tenancy, rent, hire take options or to otherwise acquire any estate, land, buildings, factories, easements or other interest in immovable properties, machinery, plant, stock-in-trade and to hold concessions, licenses, privileges, claims, leases, options which may appear to be necessary, conducive or convenient for carrying on any of the businesses of the Company and to sell, lease, mortgage, hypothecate or otherwise dispose of or grant rights or to turn to account any immovable property belonging to the Company.

5. Govt. dealing

To act as contractors, suppliers, agents, importers and exporters for any Government or autonomous body or any firm, Company, organisation in the private or public sector in furtherance of any of the objects of the Company.

6. Branches, representative

To establish and maintain agencies, branches or appoint representatives, agents, canvassers, selling and buying agents in India or abroad for sale, purchase, exchange, hire distribution or for any one or more of the objects of the Company and to regulate and/or discontinue the same.

7. Receive gifts

To receive any gifts of immovable or movable property or properties, bequests and legacies either from the shareholder(s) or from any other person(s) for all or any of the objects of the Company with or without any special condition(s) provided such receipts or the conditions attached are not inconsistent with or derogatory to any of the objects of the Company.

8. Acquisition manner of Assets

To acquire and take over as a going concern by purchase of, or on lease or hire, hire purchase and to pay for the same by shares, debentures, debenture stock, bonds, cash or otherwise and to undertake to carry on the whole or any part of the business together with the goodwill, trade name, trade mark, property rights and liabilities of any person or persons, firms or any Company carrying on any business or any part thereof within the objects of the Company or which the Company is authorised to carry on.

9. Amalgamation /Collaboration

To amalgamate, enter into technical and/or financial collaboration with the persons, concern or concerns in India or otherwise as partnership or any arrangement for sharing profits, union of interest, co-operation, joint-venture, reciprocal concession, or otherwise with any person, or association of person or persons, firm, corporation or Government or any Company carrying on or engaged in any business undertaking or transaction which the Company is authorised to carry on or engage in any business undertaking or transaction which may seem capable of being carried on or conducted and to lend money, to guarantee the contracts assign any such person, firm or Company and take or otherwise acquire and hold shares or securities of any such persons, firm or companies, to sell, hold re-issue with or without guarantee or otherwise deal with same.

10. Perform contracts

To enter into, make and perform contracts and arrangements of every kind and description with Corporate body, State or Central Government or any companies, firms, or persons that may seem conducive to the Company's objectives or any of them and to obtain from any such authority, any rights, privileges, charters, contracts, concessions, permissions, licences, or purchase and sale of any kind of goods, machinery, spare parts, securities, shares, stocks, debentures, etc, which the Company for the time being may think desirable to obtain and to carry out, exercise and comply with such arrangements, rights, privileges and concessions.

11. Disposal of assets

To sell, sublet, mortgage, lease, manage, develop, exchange, dispose of, or transfer the running business, immovable or movable property or properties, undertaking(s) of the Company or any part(s) thereof or any part of the property, rights and concessions of the Company in such manner and upon such terms and condition(s)/consideration(s) as the Directors of the Company for the time being may think fit to accept and in particular for cash, shares, debentures, debenture stock, bonds, or securities of any other Company having objects altogether or in - part similar to those of this Company.

12. Deposits & Borrowing

Subject to the provisions of Section 58A, 58B and 370 to 372 of the Companies Act, 1956 and directions from time to time of the Reserve Bank of India, to receive, raise, or borrow money from time to time for any of the objects of the Company by deposits, loans, bonds, debentures or promissory notes or by taking credit in or opening current accounts with any individual or firm or with any Bank or Bankers and whether with or without giving any security, goods or other articles or by mortgaging, pledging, charging, hypothecating any lands, buildings and machinery, goods, assets or revenue of the Company present or future including its uncalled capital or by the issue of debentures, debenture stock, perpetual or otherwise including debentures or debenture stock, convertible into shares of this or any other Company partly or wholly or to convey the same absolutely or in trust and give lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off such securities.

13. Loans

To lend or deposit moneys belonging or entrusted to or at the disposal of the Company, to such person or Company and in particular to customers and others having dealings with the Company with or without security upon such terms as may be thought proper and to invest or otherwise employ such moneys in such manner as may be thought proper and from time to time to vary such transactions. However, the Company shall not carry on Banking business as defined under the Banking Regulation Act, 1949.

14. Investment

To invest and deal with the moneys of the Company not immediately required, in immovable properties, shares, stocks bonds, debentures, obligations or other securities or in current or deposit account(s) with banks or on the mortgage of immovable properties of any tenure or on the pledge of movable property or in any other manner as may from time to time be determined by the Directors of the Company for the time being and from time to time, sell or vary all such investments and execute all assignments, transfers, receipts and documents that may be necessary in that behalf.

15. Advance

To advance and/or lend money either with or without security and generally to any person, firm, association, trust, corporation, Company upon such security, guarantee or terms and conditions as the Company may think fit.

16. Guarantees

To give guarantee for the performance or discharge of any obligations, liabilities, duties or the payments of any moneys by any persons, firms and companies or Governments of States and to give indemnities.

17. Distribution of Profits

To distribute profits, reserves and accumulation as bonus shares among the members or otherwise to apply and appropriate any moneys by way of premium on shares, or debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the sale by the Company of forfeited shares for distribution to members, as and by way of bonus shares or otherwise.

18. Distribution Property

Subject to the provisions of the Act, 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 in the event of liquidation or winding up of the Company.

19. Negotiate instruments

To draw, make, issue, accept, transfer and endorse, discount, execute and negotiate promissory notes, hundies, bills of exchange, cheques, drafts, bills of lading, letter of credit, delivery orders, dock-warrants, railway or transport receipts, warehouse-keepers' certificates and other negotiable or commercial or mercantile instruments connected with the business of the Company.

20. Bank accounts

To open accounts with any bank or banks and to deposit money therein and to draw and endorse cheques on and to withdraw moneys from, such accounts and generally operate upon same (whether overdraft or not) as may be required for pursuance of any of the objects or purposes of the Company.

21. Industry association

To be interested in, promote and undertake the formation and establishment of such institutions, associations, chamber of commerce, or other bodies business of industrial, trading or manufacturing within the objects of the Company as may be considered to be conducive to the advantage and interests of the Company and to acquire, promote and/or subsidise any industry or undertaking.

22. Trusts

To undertake and execute any trust, the undertaking whereof may seem desirable either gratuitously or otherwise and/or to make donations to any person, Company or association, trusts, societies and to subscribe or guarantee, money for any national or international, charitable, benevolent, educational, public or general or other useful objects, activities, exhibition or trade show, which may be conducive and/or advantage on to the objects of the Company, or the interest of its members or for the welfare of the staff.

23. Arrangements

To enter into any arrangement and to take all necessary steps with Government or with other authorities supreme, national, local municipal or otherwise of any place in which the Company may have interest and to carry on any negotiations or operations for the purpose of directly carrying out the objects of the Company of effecting any modifications in the constitution of the Company or furthering the interests of its members and to oppose any steps taken by the other Company, firm or person which may be considered likely directly and indirectly to prejudice the interests of the Company or its members and to promote or assist the promotion, whether directly or indirectly, of any legislation which may appear to be in the interests of the Company and to oppose and resist whether directly or indirectly, legislation which may seem disadvantageous to the Company and to obtain from any charter, Government, authority or any Company, contracts, decrees, rights, privileges or concessions which the Company may think fit and/or desirable to obtain and to carry out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges or concessions.

24. National objects

To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging social and moral responsibilities of the Company to the public or any section of the public as also any activity likely to promote national welfare or to undertake any activity likely to conserve natural resources, of social, economic or moral upliftment of the public or any section of the public and without prejudice to the generally of the foregoing, and in such manner by such means from time to time to undertake, carryout, promote and sponsor any activity for publication of any books, literature, newspapers or organising lectures or seminars, likely to advance these objects or for giving merit awards, scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to perue their studies or academic pursuits or researches or to take up establishment of any Medical Research Centre, to collect information and advices on modem techniques for treatment of diseases for the benefit of the rural area either by itself or through any of the agencies and for establishing, conducting or assisting any institution, funds, trust, having any one or more of the aforesaid objects as one of its objects by giving donations or otherwise in any other manner, in order to implement any of the abovementioned objects or purposes to transfer without consideration or at fair or concessional at value, and subject to the provisions of the companies Act, divest the ownership of any property of the Company to or in favour of any public or local body or Authority or Central or State Government or any Public Institutions for such causes purposes and objects as hereinabove mentioned.

25. Rural development

To undertake, carry out, promote and sponsor rural development, including any programme for promoting the social and economic welfare for the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency or in any other manner.

26. Turnkey projects

To undertake, turnkey projects in India or abroad to manufacture the products covered in the main object of the Company.

27. Ancillary units

To spare or subsidise or provide monetary grants and other assistance and facilities to setup any ancillary or auxiliary units and undertakings which may assist, helpful or conducive to the carrying on of the objects of the Company.

28. Agricultural inputs

To carry on the deal in the business as agents or general representatives or stockists or distributors or agricultural implements, tools, pumps, drilling equipments, casting tubes, manures, seeds, fertilizers, pesticides, agricultural chemicals, fumigants, insecticides, weedicides, plant protection equipments, cold storage and refrigeration equipments and other agricultural services and inputs.

29. Maintenance

To repair, alter, remodel, clean, renovate, convert, any goods from time to time belonging to the Company.

30. Feasibility studies

To investigate, explore by oneself or employing experts to investigate and examine the conditions, prospects, feasibilities, viabilities of projects with reference to technical needs, suitabilities, availabilities of facilities and services.

31. Remuneration & Reward

To remunerate person or Company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of shares in the Company's capital or any debentures stock or other securities of the Company or in or about the formation of the Company or the acquisition of property by the Company, or the conduct of its business.

32. Promotion of ventures

To establish or promote or concur in establishing or promoting any Company or companies 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 guarantee, underwrite, subscribe for or otherwise, acquire all or any of the shares, debentures or other securities of any such other Company.

33. Patents & Trade Marks

To apply for, register the Company in any part of the world and purchase or otherwise acquire, and protect and renew in any part of the world any patents, patent rights, brevets, invention, trade marks, trade names, designs, licences, concessions and the like conferring any exclusive or non-exclusive or limited right to their use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated, directly or indirectly to benefit the Company and to use exercise, develop or grant licences in respect of or otherwise, turn to account the property, rights or information acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.

34. Scientific Research

To establish, provide, maintain and conduct or otherwise subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry out 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 for the remuneration to scientific or technical professors or teachers and by providing for the awards of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.

35. Donations

To make donations to such persons or institutions such cases either in cash or any other assets as may be thought directly/indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business of this Company and also to subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, religious, social, developmental or benevolent, national, public or other institutions, objects or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support of associations, institutions, funds and conveniences for the benefit of the employees (including directors) of the Company or its predecessors in business or of persons having dealings, with the Company or the dependents, relatives and in particular friendly or other benefit societies to grant pensions, allowances, gratuities and bonus either by way of annual payments or a lumpsum and to make payments towards insurance and to form and contribute to provident and benefit funds of or for such persons.

36. **Arbitration**
To refer or agree to refer any claim, demand, dispute or any other question, by or against the Company or in which the Company is interested or concerned, and whether between the Company and the member or members of his or their representative or between the Company and third parties to arbitration in India or at any place outside India and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
37. **Commission, Discounts & brokerage**
To pay out of the funds of the Company all expenses which the Company may lawfully pay in respect to the promotion, formation and registration of the Company or the issue of its capital including brokerage and commission for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company.
38. **Preliminary expenses**
To pay all preliminary expenses of any Company promoted by the Company is or may contemplate being interested, including all or any part of the costs and expenses of owners of any business or property acquired by the Company.
39. **Pensions and / or superannuation funds**
To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person who are or were at any time in the employment or service of the Company or of any Company which is a subsidiary of the Company or with any such subsidiary Company or who are or were at any time director or officers of the Company or any such other Company as aforesaid and the wives, widows, families and dependents of any such persons and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well being of the Company or any such other Company as aforesaid and make payments to or towards the insurance of any such person aforesaid and to do any of the matters aforesaid, either alone or in conjunction with any other Company as aforesaid.
40. **Insurance**
To insure the whole or any part of the property of the Company either fully or partially to protect and indemnify any part or portion thereof either on mutual principles or otherwise.
41. **International activities**
To carry out in any part of the world all or any of the Company's objects as principals, agents, factor, trustee, contractor or otherwise either along or in conjunction with any other person, firm, association, corporation body, municipality, province, state body, Government.
42. **Branches representatives**
To establish branches or appoint in or outside India any person or persons to look after the interest of the Company or to promote and pursue the business objects of the Company.
43. **Advertisements**
To adopt such means of making known the business of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest by publication of books and periodicals, granting prizes, rewards and donations and by holding conferences, seminars and meetings.
44. **Investments**
To invest or deal with the funds of the Company in such manner and upon such securities as shall from time to time be thought necessary for the benefit of the Company and to create any reserve fund, sinking fund, insurance fund, depreciation fund or provident fund.
45. **Corporate general powers**
To exercise all or any of its corporate powers, rights and privileges and to conduct its business in all or any of its branches in the Union of India and in any or all foreign countries and for the purpose to have maintain and to discontinue such number of officers and agencies therein as may be convenient.
46. **Irrigation services**
To provide irrigation services to farmers and cooperative farmers and for improving irrigation to sink wells, shafts, construct dams, bandhs, culverts, cisterns, reservoirs and filter beds and to execute and to do all other acts and things necessary for obtaining, storing, supplying, measuring and dealing in water for the purpose of providing irrigation facilities to agricultural sector.
- 47(A) **Dealing in Securities**
To carry on business of holding / dealing in shares, share warrants, stocks, debentures, debenture stock, bonds, mortgages, *hypothecations, pledges and* / or any other securities of companies, societies,

associations, *individuals* and other entities of any nature whatsoever, and further to liquidate, sell, vary, convert, redeem, assign, transfer or receive such shares, share warrants, stocks, debentures stock, bonds, mortgages, *hypothecations, pledges and/* or any other securities or acquire further securities including shares, share warrants, stocks, debentures, debenture stock, bonds, mortgages *hypothecations, pledges and/* or any other securities from time to time and further to invest *in any schemes and/ or instruments as permitted under law including* in Indian or other foreign *equity and/ or debt and/ or* derivative instruments, options, futures, carbon credit and to carry on the business of finance, enter into transactions including *hedging transactions and other transactions* relating to security, foreign exchange, commodities *and/* or any other assets/goods/instruments whether in India or abroad, and to carry on financial activities, businesses and operations of all kinds including transactions in the nature of hedging agreements, forward commodity contracts, rate swaps, commodity futures/swaps, commodity options, futures and options *and/* or options with respect to all or any such transactions, whether for the purpose of risk management *and/ or investment purpose and/ or* otherwise."

(Inserted vide resolution passed in 21st AGM held on 30.09.2008)

C. OTHER OBJECTS

47. Plastics

To carry on the business of manufacturers, processors, buyers, sellers, dealers, importers, exporters of PVC and other plastic material, plastic film, plastic paper, plastic foils, plastic jute, plastic textiles, plastic boards, plastic laminates and packaging materials.

48. Chemicals

To carry on the business of manufacturing, distilling, compounding, acquiring, buying, selling, importing, exporting and dealing in all manner whatsoever in organic and inorganic chemicals, formulations, derivatives and compounds thereof and consumer products based thereon, pharmaceutical specialities, surgical specialities, cosmetics, industrial chemical compounds, bacteriocides, germicides, detergents, acids and similar substance and products together with valves, spouts and devices for dispensing pressurised formulations and similar goods.

49. General industrial products

To carry on the business of manufacturing, distilling, compounding, acquiring, buying, selling, importing, exporting and dealing in all manner whatsoever in industrial adhesives, disinfectants, sprays, perfumes, and essences, soaps, ointments, toilet preparations and similar articles, gases, drugs, medicines, plaster of paris, gypsum, plasters, fertilizers, acetylene, alkalies, acids, food stuffs, oils, icing, glass colours, glues, gums, pigments, varnishes, compositions, dyes, brushes, laboratory reagents and chemicals, raw materials, equipments, tools and apparatus required in the chemical, medical, photographic, scientific laboratories and workshops including colleges, technical schools, universities and other educational institutions and laboratories.

50. Chemists/Druggists

To carry on the business of manufacturers and wholesale and retail Chemists, druggists, and perfumers, sundriesmen, chemical engineers, sterilizers, dyers, makers and chemical plant material and laboratory proprietors.

51. Printers/Publishers

To carry on the business of printers, publishers, book sellers, book binders, library proprietors.

52. General storekeepers

To carry on the business as electro-platers, fancy goods dealers, grocery and provision dealers and general storekeepers and as manufacturers and dealers in bottles, containers, packing materials, bottle caps, glass, chinaware, pottery, earthenware, gold and silver plated things, metal goods, leather goods and fancy goods.

53. Automotive ancillary

To carry on the business as manufacturers and repairers of and dealers in, automotive ring gears and pinion sets, transmission gears and complete differentials and transmissions, components thereof and all parts and equipments necessary thereto and all other material equipment, apparatus and stores used therewith or in relation thereto.

54. Motor car dealers

To carry on the business as manufacturers and repairers and dealers in, motor cars, lorries, bicycles, minibuses, coaches, caravans, ambulances, motor-cycles, and side cars, motor cycles, tricycles, wagons, and other vehicles of all kinds, aeroplanes, sea plane, flying boats, air ships, and aircrafts, motor boats, motor ships, vessels and accessories of all kinds used in railway and tramway locomotives, carriages, trucks and such other vehicles.

55. Metal dealers

To carry on the business of iron-masters , iron-founders , iron-workers, set makers , blast furnace proprietors ,brass founders, metal makers,refiners, ship-builders and ship-right, dock andwharf proprietors , ship-repairers , colliery proprietors , ore importers and workers , oil fuel engineers , consulting engineers, mailwrights, wheel wrights , quarry owners, brick and tile manufacturers, galvanisers, machinists , annealers, welders, electro and chromium storage contractors.

56. Investment in securities

To acquire shares, stocks, debentures, debenture-stocks , bonds, mortgages , obligations andother securities by original, subscription, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof.

57. Deal in securities

To make advances upon, hold in trust, issue on commission, sell or dispose of, any of the investments aforesaid.

58. Printer Publishers

To carry on business as printers , engravers, designers, publishers , book and print sellers, book-binders , and art journalists in all their branches , manufacturers and distributors of and dealers in engravings , prints, pictures , drawings and any written, engraved, printed productions, in all their branches.

59. Civil contractors

To carry on business as glazing contractors , sanitary engineers , brick-layers , stone masons , painters , contractors shop front fitters, payment light makers , painters , plasterers , joiners , carpenters, electricians, monumental masons , lime and cement merchants , steeplejacks, lightening conductor erectors and maintainers , garage proprietors , carriers and carriage contractors in all their respective branches.

60. Furnishers

To carry on all or any of the trades or business of painters , french polishers , plumbers , metal and alloy workers , gas engineers, jointers , furniture makers, upholsters , coal, coke and fuel merchants , carriers, wireless goods dealers, hardware dealers, storage contractors and shop, office and house furnishers.

61. Architects & Structural Engineers

To carry on business of architects and structural and general designers, engineers, consultants , draughtsmen, tracers and engravers, lithographers, photographers, blueprint makers, artists, illustrators, printers, publishers, map mounters, surveyors, wholesale and retail statiners, model makers and general contractors.

62. Transport agents

To establish, maintain and operate air, shipping, road services (public & private) and all ancillary services and for this purpose an independent undertakings to purchase, take, in exchange, charter, hire, build, construct or otherwise acquire and to own, manage other ships, trawlers, barges, drifters, drugs, and vessels, motor and other vehicles, with all necessary and convenient equipments , engineers, gear, furniture and stores and to maintain repair, fit, improve nsure, alter, sell, exchange or let out on hire purchase or charter or otherwise deal with or dispose of any of the ships, vessels and vehicles , or any part and spares thereof.

63. Minerals & Metals

To crush, win, get, quarry, smelt, calcine, refine, dress, amalgamate, manipulate and prepare for market , ore and mineral substances and to carry on any metallurgical operations.

64. Irrigation services

To carry on business of designers , developers , manufacturers , producers , fabricators , assemblers, merchants, dealers, exporters, importers, sellers, resellers, hirers , installers and repairers of all type of irrigation systems, sprinklers, pope, ran spray, RIS, valves and control equipments , hydro rain, Biwall and fittings, controllers , Drip emitters of all type and drip irrigation systems, fertilizers, injection pumps, sand filters, screen filters, fittings, L.D. Polythene tubing Pressure guagers and adaptors, sand separators, spray nozzles, sprinklers, tensionmeters.

65. Warehousing

To carry on business of warehousemen , removers , packers, hauliers , transport, cartage and haulage contractors and agents, distributors, store keepers and general providers , carriers, custom agents, clearing, forwarding transport and commission agents, wharfingers , cargo superintendents , job masters, masters mucadams and to receive money securities, valuable and goods and materials on deposit or for safe custody and to lend or to give guarantee on the security thereof.

66. Glass dealers

To carry on business as manufacturers of and dealers and workers in glass, chainaware, pottery, earthenware, gold and silver plated goods, metal goods, handbags , leather, plastic, brakelite and rubber goods, and all kinds of bottle, boxes , cartons, receptacles containers and cases made of cardboard metal or otherwise.

67. Timber, Wood & other metal product

To carry on business as manufacturers of and dealers and workers in timber, hardware, steel, iron, metal, terracotta, cement of any kind, lime, bricks, marbles, tiles, pipes, sanitary and household fitters, builders and decorators.

68. Machine tools & equipment

To carry on business as manufacturers and dealers in machines, tools and implements required for processing and grinding camera lenses, optical lenses, electrical and electronic equipments, plant, machineries, and furnaces required for the manufacture and processing of optical glass and articles made of glass.

69. Water works

To carry on business of water works Company in all its branches and to sink wells and shafts and to make build and construct, lay down and maintain dams, reservoirs , water-works , cisterns, culverts, filter beds, main and other pipes and appliances and to execute and do all other acts and things necessary or convenient for obtaining, storing, selling, delivering, measuring , distributing and dealing in water.

70. Bricks & Pottery

To carry on business as manufacturers of and dealers in bricks , pottery, terracotta, ceramics and sanitary and disinfecting preparations , coke, coal, cement of any type and artificial stones to carry on business as quarry masters and stone merchants.

71. Waterproof clothing

To carry on business of waterproofers and manufacturers in India rubber, leather, imitation-leather , leather-cloth, plastic, oil cloth, Linoleum, tarpauline , hospital sheetings and surgical bandages.

72. Hotel and Restaurant

To carry on business of hotel, restaurant, flight kitchen, cafe, tavern, beer house, refreshment room and lodging, house-keepers, theatrical agents, box office keepers, concert room proprietors , wine, beer and spirit merchants, brewers , masters, distillers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, surveyors, caterers of public amusements, coach cab and carriage and motor repairers, garage owners and proprietors , job-masters , farmers, dairymen, poultry , ice merchants, importers and brokers of food, live and dead stock and colonial and foreign produce, of all descriptions , proprietors of clubs, baths and dressing rooms.

73. Office products

To carry on business of manufacturers of and dealers in typewriting and other ribbons, inks, papers, stamp pads, typewriting machines , typewriter parts , accessories, requisites , equipments of all kinds, duplicating, addressing, calculating, cheque writing and other machines and appliances required or used for factory, office, laboratories or otherwise and other office requisites , furniture, fittings, appliances and equipments.

74. Food products

To carry on business as producers of and dealers in food stuff and food products of every description whether for human , animal or poultry and piggery consumption , fish, milk, butter, cream, cheese, oil, fruits, vegetables , confectionery , sweet-meats, sugar jams , jellies , pickles, drinks, beverages , distillers and masters in all its branches.

75. Ready made garments

To carry on business of ready-made or made to measure garments, manufacturers , drapers and hosiers, clothiers, dress makers, customers, dress agents, tailors, and outfitters and as manufacturers of and

dealers in tapestry, needlework, neckwear, ties, collars, cuffs, scarves, cells, tinsel and tinsel fabrics for personal or household use, decoration ornaments.

76. Fabrics

To carry on business of dyeing, bleaching, mercerizing calendering, printing, combing, preparing, spinning, weaving, manufacturing, selling buying and otherwise dealing in yam, cloth and other goods and fabrics made from raw cotton, flax, hemp, jute, wood and other materials.

77. Real estate

To carry on business as auctioneers, land and estate agents and rent collectors, average adjusters, yacht agents, and brokers, assessors, appraisers, surveyors, brokers and valuers and finance brokers in respect of all classes of property both real and personal, to take stock and prepare inventories to purchase, to sell or otherwise deal in real and personal property and to build upon, exploit and develop any land owned by the Company from time to time, construct own, manage and let auction rooms, to finance builders, and to take part in development and exploitation of any kind of property and generally to undertake any business work or transaction usually undertaken by auctioneers, estate agents, or valuers or which might advantageously be carried on by them.

78. Electronic goods

To carry on business as manufacturers and dealers in radios, television sets, radio receiving and transmitting sets, and their components, parts wireless apparatus, televisions, videos, computers, electronic goods and their components and spares and appliances.

79. Transport operators

To carry on business of manufacturers, hirers, repairers, cleaners, starters, warehousemen of motor cars, motor cycles, cycle cars, scooters, cycles, bicycles and carriages, launches, boats and vans and other conveyance of all descriptions, animal or other powers, and of engines, chassis, bodies, and other things used for, or in or in connection with motors and in the construction of any truck or surface adopted for their use.

80. Agricultural services

To carry on business of marketing, processing, standardising, grading, sorting, packing, banding, investigating market research, storing, warehousing, cold storage, distributing, transporting, converting, maintaining and rendering assistance and services including buying, selling, exchanging, altering, producing, improving, manufacturing and dealing in agricultural produce, agricultural operations and agricultural inputs including operations and agricultural inputs including fertilizers, manures, plant protection materials, machinery and irrigation materials.

81. Social National Economic

To take up objects of social, economic and national importance including rural upliftment, upliftment of poor, economically backward and the weaker sections in all possible means and ways.

82A To carry on the business of manufacturing, distribution, generation, transmission, supervision, supply and sale of all types of power whether conventional and/or non-conventional power generation including mechanical, hydraulic, hydel, gas, wind farm, solar, by using solid, liquid, gaseous or other form of fuel(s), including conventional as well as non-conventional fuels and/or any other form of energy input and organise an integrated and efficient development of electrical energy / associated systems in accordance with the National / State economic policies and objectives laid down by Government and to exploit the ancillary by production including carbon credit.

82B To generate, transmit, distribute, supply and sell power to third party and/or to central Government/State Governments, Power trading companies, Industries including commercial, residential, establishments or to any other consumers of Electricity and also for captive consumption, either directly or through transmission lines and facilities of Central Government / State Governments / Electricity Boards / Municipal bodies or any other entities whether in Public or in Private Sector of the power manufacture, generation, transmission and distribution.

82C To plan, develop and set up Power Plants / Projects, power stations, distribution centres, and to design, manufacture, assemble, supply, erect, commission, test, maintain, trouble shoot, repair and service transmission/distribution facilities and to construct, lay down, establish, fix, erect and maintain power stations, power generating machinery and all other types of plant and machinery, electrical equipment and cables, wires, lines, accumulators, plant, motors meters, apparatus, materials, computer and control

equipment, transmission lines, fittings, apparatus and things connected with the production, generation, use, storage, measurement, transmission, supply and distribution of the power in the capacity of principals, contractors or otherwise and to provide consultancy, expert services, advises, designs, drawings in relation to supervision and control of power in India and abroad.

82D To purchase, acquire, sell, take or give on lease or in exchange, licence or concession or otherwise, absolutely or conditionally, solely or jointly with others and make, construct, maintain, work, hire, own, hold, improve, alter, manage, let, sell, dispose off or exchange lands, buildings, works, factories, workshops, warehouses, machinery and apparatus, water rights, way leaves, trade marks, patents and designs, privileges or rights of any description or kind in connection with generation or transmission of Power."

(Clause 82A to 82D inserted vide resolution passed by way of Postal Ballot on 15.03.2011)

And it is hereby declared that:

- a) The objects incidental or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental and ancillary to the attainment of the other objects of the Company herein mentioned.
- b) The objects set forth in each of the several clauses of paragraph III hereof shall extend to any part of the world.
- c) Subject to the provisions of the Companies Act, 1956 the objects set forth in any clause of sub-paragraph (C) above shall be independent and shall be in no way limited or restricted by reference from the terms of any of the clauses of sub-paragraph (A) or by the name of Company or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the objects mentioned in any of the clauses of sub-paragraph (A).
- d) Nothing in this paragraph shall authorise the Company to do any business which may fall within the purview of the Banking Regulation Act, 1949 or the Insurance Act, 1938.

IV. The liability of the Members is limited

V. Authorised Share Capital

The Authorised Share Capital of the Company is Rs. 2,97,30,00,000 (Rs. Two hundred ninety seven crores Thirty Lacs only) divided into 92,65,00,000 Ordinary Equity Shares of Rs. 2/- each, 50,00,000 Redeemable Preference shares of Rs. 100/- each, and 31,00,00,000 Equity Shares-Differential Voting Rights (DVR Equity Shares) of Rs. 2/- each, with power to increase or reduce the capital and to divide shares in Capital for the time being, into several classes, and to attach thereto respectively, such preferential, deferred, qualified or special rights (whether relating to differential rights of dividends, voting or otherwise), privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions, in such manner as may be for the time being provided by the Articles of Association of the Company.

(Amended as per resolution passed by way of Postal Ballot dated 15.03.2011)

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

	Names , address & description of the subscriber	No. of Shares taken	Signature of the subscriber	Witness
1.	Bhavarlal Hiralal Jain S/o. Hiralal Jain, Rathod Bunglow, Near Gima Tank, Jalgaon 425 001. INDUSTRIALIST	10 (TEN EQUITY)	Sd/-	Sd/- Suresh Madhava Hedge S/o. Madhava G. Hegde 168, Atlanta, Nariman Point Bombay - 20. Business
2.	Rajnikant Birdichand Jain S/o. Birdichand Jain 279/1 LIC Colony, Jalgaon 425 001. ENGINEER	10 (TEN EQUITY)	Sd/-	
3.	Girdharilal Rawatmal Oswal S/o. Rawatmal Oswal 15, Sagar Society, Jilha Peth, Jalgaon. INDUSTRIALIST	10 (TEN EQUITY)	Sd/-	
4.	Anil Bhavarlal Jain S/o. Bhavarlal Jain Rathod Bunglow, Near Gima Tank, Jalgaon 425 001. BUSINESS	10 (TEN EQUITY)	Sd/-	
5.	Arun Shrikrishna Ajgaonkar S/o. Shrikrishna Ajgaonkar "Uttung", Old Jalgaon Dhulia Road Nimkhedi Road, Jalgaon BUSINESS	10 (TEN EQUITY)	Sd/-	
6.	Shravan Vithal Patil S/o. Vithal Patil 50, Onkar Nagar Jilha Peth, Jalgaon 425 001. BUSINESS	10 (TEN EQUITY)	Sd/-	
7.	Ashok Bhavarlal Jain S/o. Bhavarlal Jain Rathod Bunglow, Near Gima Tank, Jalgaon 425 001. BUSINESS	10 (TEN EQUITY)	Sd/-	
	Total..	70 (SEVENTY EQUITY)		

Dated: This 12th day of December 1986.

THE COMPANIES ACT, 2013
COMPANY LIMITED BY
SHARES ARTICLES OF
ASSOCIATION
OF
JAIN IRRIGATION SYSTEMS LIMITED

1. Table 'F' not to apply

The Regulations contained in **Table 'F'** in the first schedule of the Companies Act, 2013 shall not apply to this Company but the regulations for the management of the Company and the observance by the Members thereof and their representative shall, subject to any exercise of statutory powers of the Company in reference to the repeal or alteration of, or addition to its regulations by Special Resolution, as prescribed by the said Companies Act, 2013, be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

2. The marginal notes hereto shall not affect the construction hereof any provision.

DEFINITIONS

Interpretation

In the interpretation of these Articles, unless repugnant to the subject or context,

"**Act**"[#] means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and applicable and subsisting provisions of the Companies Act, 1956.

"**Additional Director**" shall mean a Director appointed by the Board in accordance with the provisions of Section 161 of the Act and these Articles.

"**Annual General Meeting**" means a meeting of the members held in accordance with the provisions of Section 96 of the Act.

"**Applicable Law**"^{*} means all applicable provisions of all (a) constitutions, treaties, statutes, laws (including the common law), codes, rules, regulations, ordinances or orders of any Governmental Authority, (b) Governmental Approvals (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Governmental Authority and (d) any order or any rule of common law or principle of equity and includes the SEBI (LODR), Regulations, 2015;

"**Appointment Event**" means (i) any material breach by the Company of the Mandala Agreement (as defined below), which if capable of cure, is not cured within 30 days from the date of receipt of written notice thereof; or (ii) any material breach by parties, other than the Mandala or its Affiliates, of the Food Documents, which if capable of cure is not cured within 30 days from the date of receipt of written notice thereof; or (iii) an initial public offering of equity shares of Jain Foods not occurring after five years of closing of the investment by the Mandala or its Affiliates in Jain Foods in accordance with the Foods Documents; or (iv) any breach by the Company of the provisions of Section 8 of the Mandala Agreement that is not cured within 30 days from the date of receipt of written notice thereof.

For purpose of this Article, Mandala Agreement means the Debenture Subscription Agreement dated 14th December, 2015 entered between the Company and Mandala and includes, its schedules and attachments and any amendments to the foregoing.

"**The Articles**" or "These Articles" shall mean the Articles of Association of the Company for the time being in force.

"Auditors" means and include those persons appointed as such for the time being as the statutory auditors cost auditor and internal auditors of the Company in accordance with the Act and also under the Companies (Audit and Auditors) Rules, 2014 as may be amended and modified from time to time.

"Beneficial Owner" for the purposes of Article 25 hereof shall mean a Person or Persons whose name is recorded as such with a depository of as defined in clause (a) of Sub Section (1) of Section 2 of the Depositories Act, 1996.

"Board"[#] shall mean the collective Board of Directors of the Company, as duly called and constituted from time to time, in accordance with the provisions of the Act, these Articles and Applicable laws.

"Business Days"^{*} means any day other than a Saturday, Sunday or any day on which banks in Mauritius or Mumbai in India are closed;

"Chairman"[#] shall mean such persons as is nominated or appointed in accordance with Article 85 herein below.

"Consent"^{*} means any notice, consent, approval, authorization, waiver, permit, grant, concession, agreement, license, certificate, exemption, order or registration, of, with or to any Person;

"Control"^{*} (including with correlative meaning, the terms "Controlled by" and "under common Control" with) means the power and ability to direct the management and policies of the controlled enterprise through ownership of voting shares of the controlled enterprise or by contract or otherwise. An ownership of voting shares/interest of 10% or more in/of a Person shall be deemed to amount to Control over such Person;

"Companies Act, 1956"[#] shall mean the Companies Act 1956 (Act I of 1956), to the extent that such provisions have not been repealed or superseded by the Companies Act, 2013 or de-notified.

"The Company" or "This Company" shall mean JAIN IRRIGATION SYSTEMS LIMITED.

"Committees"[#] shall have the meaning ascribed to such term in Article 145.

"Depository" shall mean a Depository as defined under Clause (e) of sub-Section (1) of Section 2 of the Depositories Act, 1996.

"Depositories Act, 1996" means the Depositories Act, 1996 and shall include any statutory Modifications of reenactment thereof for the time being in force.

"Director" shall mean a validly appointed member of the Board and includes an Additional Director. Unless the context otherwise requires, any reference herein to a Director shall be deemed to include a reference to any Alternate Director nominated to substitute for such Director.

"DVR Shares"^{*} shall mean the Equity Shares issued by the Company with differential voting rights;

"Electronic Voting System" shall have the meaning ascribed to it under Rule 20 (1) (iv) of Companies (Management and Administration) Rules, 2014.

"Equity Shares" shall mean (i) the ordinary equity Shares of the Company, par value Rupees two (2) per Share, and (ii) any other class of ordinary equity Shares of the Company provided that Equity Shares shall not include any preference Shares of the Company.

"Equity Securities"^{*} means, with respect to any Person, such Person's equity capital, membership interests, partnership interests, registered capital, joint venture or other ownership interests (including in the case of the Company, Equity Shares, the DVR Shares, the equity warrants and the EDRs) or any options, warrants, convertible preference shares, loans or other securities that are directly or indirectly convertible into, or exercisable or exchangeable for, such equity capital, membership interests, partnership interests, registered capital, joint venture or other ownership interests (whether or not such derivative securities are issued by such Person and whether or not then currently convertible, exercisable or exchangeable);

"ESOP" means Employee Stock Option Plan as may be approved by shareholders in General Meeting under the SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI Guidelines).

"Extra ordinary General Meeting" means an Extra Ordinary General Meeting of the members duly called and constituted or any adjourned meeting thereof.

"Food Documents" means the Securities Subscription and Shareholders Agreement dated as of the date hereof entered into among the Mandala's Affiliate, the Company, promoters of the Company, Jain Processed Foods Trading and Investments Pvt. Ltd. and Jain Foods and all other documents as may be executed by or among one or more of the parties thereto in connection with the transactions contemplated thereunder.

"Founders" shall mean Bhavarlal H. Jain, Ashok B. Jain, Jyoti A Jain, Arohi A. Jain, Aattaman A. Jain, Anil B. Jain, Nisha A. Jain, Athang A. Jain, Amoli A. Jain, Ashuli A. Jain, Ajit B. Jain, Shobhana A. Jain, Abhedya A. Jain, Abhang A. Jain, Atul B. Jain, Bhavana A. Jain, Ashok B. Jain for PVC Trading House, Ashok B. Jain for Jalgaon Udyog, Ashok B. Jain for Jain Computers & Allied Services, Ajit B. Jain for Plastic Enterprises, Anil B. Jain for Drip & Pipe Suppliers and Atul B. Jain for Jain Sons Investment Corporation, Mis Jain Brothers Industries Private Limited, M/s Jalgaon Investment Private Limited, Jain Family Holding Trust, Jain Family Investment Trust, Jain Family Enterprise Trust, Jain Family Investment Management Trust, Jain Family Trust and their respective heirs, executors, administrators and permitted assigns. The term 'founders' shall be deemed to include both the named natural person listed above as the registered holder of Equity Shares and Plastic Enterprises, Jain Sons Investments Corporation, Jain Computer & Allied Services, Jalgaon Udyog, PVC Trading House or Drip & Pipe Suppliers, in each case as indicated above, as the beneficial owner of such Equity Shares. Unless otherwise specified expressly or by necessary implication, the Founders shall mean all the Founders as a group.

"Fully Diluted Basis"* mean that the calculation should be made assuming that all outstanding options, warrants and other Equity Securities convertible into or exercisable or exchangeable for Equity Shares (whether or not by their term then currently convertible, exercisable or exchangeable) including assuming that all the equity warrants, Existing ESOP, Equity Securities have been issued, and have been fully converted, exercised or exchanged);

"General Meeting" means a meeting of the Members, which includes Extra ordinary General meeting.

"Government Authority"* means any nation or government or any province, state or any other political subdivision thereof; any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, including any government authority, agency, department, board, commission or instrumentality of India or other applicable jurisdiction (as applicable), or any political subdivision thereof or any other applicable jurisdiction; any court, tribunal or arbitrator and any securities exchange or body or authority regulating such securities exchange;

"Governmental Approval"* means any Consent of, with or to any Governmental Authority;

"Internal Auditor(s)" means and include those individuals/firm appointed as such by the Board as the internal auditor(s) of the Company, as may be applicable, under the Act and also under the Companies (Audit and Auditors) Rules, 2014 amended and modified from time to time.

"Jain Foods" means Jain Farm Fresh Foods Limited, a public limited company, registered under the Companies Act, 2013 with its registered office at Gat No. 139/2, Jain Valley, Shirisoli, Jalgaon, Maharashtra - 425002;

"Mandala", means any other person who, directly or indirectly through one or more intermediaries Controls, is Controlled by, or is under common Control with, the first-mentioned person, and (a) with respect to an individual shall be deemed to include a relative, as per provisions of the Act; of such individual, and (b) with respect to the Mandala shall also be deemed to include: (i) any alternative investment or co-investment fund, entity or company (including without limitation, any investment trust, limited partnership or general partnership) managed by the general partner of any of the Mandala or its Affiliates, or to which the general partner of any of the Mandala (or its Affiliates)

has provided management or consulting services or capital (ii) any successor investment fund, vehicle or company to the Mandala, (iii) any person that, directly or indirectly Controls, is Controlled by or under the common Control of the Mandala and/or any person referred in (i) and (ii) above.

For removal of any doubts, "Control" with respect to Mandala Affiliates shall mean "the ability to direct or cause the direction of, the management and policies of a person, whether through: the direct or indirect ownership of more than 50% of the voting securities of such person; or the right to, directly or indirectly, appoint or remove a majority of the members of the board of directors or other governing body of such person; or otherwise. Cognate expressions such as "Controls", "Controlled" and "Controlling" shall be accordingly construed.

"Mandala Director" has the meaning ascribed to in Article 111B(ii).

"Mandala Observer" has the meaning ascribed to in Article 111B(i).

"Mandala Rose Co- Investment Limited" or "Mandala" a company formed under the laws of Mauritius.

"Members" shall have the meaning ascribed to it under sub-Section 55 of Section 2 and shall mean a registered holder, from time to time, of an Equity Share in the Company.

"Office" means the Registered Office for the time being of the Company.

"Ordinary Resolution" and **"Special Resolution"** shall have the meanings assigned to these terms under Section 114 of the Act.

"Ordinary Course of Business" shall mean the ordinary course of business consistent with past custom and practice (including with respect to quantity and frequency), but only to the extent consistent with applicable Law and the custom of entities engaged in the same businesses as the Existing Business.

"Paid - Up" includes credited as paid-up.

"Person" means any individual, corporation, Company, limited liability Company, association, joint stock Company, partnership or other legal entity, branch of any legal entity, joint venture, trust or unincorporated organization, or Governmental Entity.

"Postal Ballot" shall have the meaning ascribed to it under sub-Section 65 of Section 2 and shall mean voting by post or through any electronic mode.

"Proxy" shall mean an individual authorized by a duly executed instrument in the prescribed form and in accordance with Articles 99 to 108 of these Articles to attend and vote for a Member at a General Meeting on a poll.

"Promoters" * shall mean and include Shri. Bhavarlal Jain, Shri Ashok B. Jain, Smt Jyoti Ashok Jain, Ms. Arohi Ashok Jain, Shri Aattaman Ashok Jain, Shri Anil Bhavarlal Jain, Smt. Nisha Anil Jain, Shri Athang Anil Jain, Ms. Amoli Anil Jain, Ms. Ashuli Anil Jain, Shri Ajit Bhavarlal Jain, Smt. Shobhana Ajit Jain, Shri Abhedya Ajit Jain, Shri Abhang Ajit Jain, Shri Atul Bhavarlal Jain, Smt. Bhavana Atul Jain, Shri Anmay Atul Jain, M/s Jain Brothers Industries Private Limited , M/s Jalgaon Investment Private Limited , Jain Family Holding Trust, Jain Family Investment Trust, Jain Family Enterprise Trust, Jain Family Investment Management Trust and Jain Family Trust;

"Records" means any register, index, agreement, memorandum, minutes, or any other documents required by the Act or rules made thereunder to be kept by the Company.

"Register of Members" means the Register of Members to be kept pursuant to the Act.

"Registrar" means the Registrar of Companies.

"Related Party" with reference to a Company shall have the meaning assigned to it under Section 2(76) of the Act and Rule 3 of the Companies (Specification of definitions details) Rules, 2014.

"Relative"* shall have the meaning ascribed to it under Section 2(77) of the Act and Rule 4 of the Companies (Specification of definitions details) Rules, 2014;

"Seal" Means the Common Seal for the time being of the Company.

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

"Secretary" has the meaning set out in Article 134 and includes a temporary or Assistant Secretary or any Person or Persons appointed by the Board to perform any of the duties of Secretary.

"Securities" shall have the meaning provided to this term under the Securities Contract Regulation Act, 1956, as amended.

"Share" means share in the paid-up share Capital of the Company.

"Statutory Auditor(s)" means and include those persons appointed as such for the time being as the statutory auditor(s) of the Company under the Act and also under the Companies (Audit and Auditors) Rules, 2014 amended and modified from time to time.

"Stock Exchange"* shall mean the Bombay Stock Exchange Limited, the National Stock Exchange of India Limited and/or any other recognized stock exchange on which the Equity Shares of the Company are listed ;

"Subsidiary"* means a subsidiary within the meaning of sub-Section 87 of Section 2 of the Act;

Words importing the masculine gender also include the feminine gender.

**(Inserted as per resolution passed in the EGM dated 26.11.2012)*

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

(Inserted/Amended vide Special Resolution passed at 37th AGM dated 16th August, 2024)

3. Intentionally left blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

4. Authorised Share Capital

The Authorised Share Capital of the Company is Rs. 2,97,30,00,000 (Rs. Two hundred ninety seven crores Thirty Lacs only) divided into 92,65,00,000 Ordinary Equity Shares of Rs. 2/- each, 50,00,000 Redeemable Preference shares of Rs. 100/- each, and 31,00,00,000 Equity Shares-Differential Voting Rights (DVR Equity Shares) of Rs. 2/- each, with power to increase or reduce the capital and to divide shares in Capital for the time being, into several classes, and to attach thereto respectively, such preferential, deferred, qualified or special rights (whether relating to differential rights of dividends, voting or otherwise), privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions, in such manner as may be for the time being provided by the Articles of Association of the Company.

(Amended as per resolution passed by way of Postal Ballot dated 15.03.2011)

5. Increase of Capital by the Company

The Company in General Meeting may, from time to time by an Ordinary Resolution, increase the capital by creation of new shares, such increase to be of such aggregate amount and to be divided into such class or classes of shares and of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued and upon such terms and conditions and guarantee and with such rights and privileges attached thereto, as the General Meeting resolving upon the creation thereof, resolution shall prescribe. If no direction prescribed under the resolution then the increase may be as the Directors shall determine; and in particular, such shares may be issued with preferential or qualified right to dividends, and/or in the distribution of assets of the Company, and/or with a right of voting at General Meeting of the Company in conformity with Sections 61, 20 and 64 of the Act.

6. New-Capital same as existing capital

Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by creation of new shares shall be considered as part of the original capital, and shall be subject to the

provisions herein contained with reference to the payment of calls and installments , forfeiture, lien, surrender, transfer and transmission , voting rights and otherwise.

6A Deleted vide Special Resolution passed at 22nd EGM dated 04th December, 2021.

6B deleted vide Special Resolution passed at 29th AGM dated 30th September, 2016.

7. Reduction of Capital

Subject to, any incident authorised and consent required by law, the Company may from time to time by Special Resolution, reduce its share capital, any Capital Redemption Reserve Account and Securities Premium Account in any manner for the time being authorised by law.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

8. Sub-division, consolidation and cancellation of shares

Subject to the provisions of Sections 61 of the Act, the Company may by ordinary resolution in General Meeting may, from time to time:

- a) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;
- b) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- c) Cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any other person.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

9. Modification of Rights

- a) Subject to the provisions of Section 55 of the Act whenever the increase of capital is by reason of the issue of preference shares, any such preference shares may 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 shares may by special resolution determine.
- b) 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 Section 48 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- c) To every such separate meeting the provisions of these Articles relating to general meeting 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 that class in question.
- d) 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

10. Non-voting shares

Subject to provisions of Act and these Articles and the applicable provisions of Law for the time being in force, the Company may issue (i) Equity Shares either with voting rights or with differential rights as to dividend, voting or otherwise in accordance with the rules as may be prescribed; and (ii) Preference Shares and the resolution authorizing such issue shall prescribe terms and conditions of the issue of such Shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

11. Buy Back of Shares

Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the Company is authorised to purchase its own Shares or other Specified Securities in accordance with Sections 68 to 70 of the Act.

However, the Board of Directors are authorized to purchase of its shares or other specified securities ("buy back") subject to fulfillment of following conditions -

- a) Such buy back is less than ten percent of the total paid up equity capital and free reserves of the Company;
- b) such buy back has been authorised by the Board by means of resolution passed at its meeting;
- c) such buy back is out of (a) free reserves; (b) securities premium account; or (c) proceeds of the issue of any shares or other specified securities;

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

SHARES AND CERTIFICATES

12. Register and Index of

Members Register of Members

- a) The Company shall cause to keep a -
 - i) Register of Members indicating separately for each class of equity and preference shares held by each member residing in or outside India;
 - ii) register of debenture holders; and
 - iii) register of any other security holders.
- b) The Company shall also keep and maintain a register and Index of beneficial owners through by a depository under Section 11 of the Depositories Act, 1996. Every register maintained shall include an index of names included therein.
- c) The Company shall be authorised to keep in any country outside India a part of the Register containing the names and particulars of the members, debenture holders or any security holders or beneficial owners' parties residing outside India.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

13. Shares to be numbered progressively

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no shares be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

14. Shares under control of Directors

Subject to the provisions of these Articles and of the Act, the Shares shall be under the control of the Directors, who may issue, allot or otherwise dispose off the same to such persons in such proportion and on such terms and conditions and at such premium or at par or at a discount and at such time as they from time to time think fit.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

15. Powers to Company in General Meeting to issue shares

In addition to and without derogating from the powers for the purpose conferred on the Board under

Articles 14 above, the Company in general meeting may subject to the provisions of these Articles and Section 62 of Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether a Member or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 52 and 53 of the Act) at premium or at par or at discount such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

- 15A** Nothing in Article 15 shall apply to the increase of the subscribed capital of the Company, caused by the exercise of an option attached as a term attached to the debentures issued or loans raised by the Company, to convert such debentures or loans into Ordinary Equity Shares of the Company, upon occurrence of 'event of default' under loan/ debenture facility agreement, and authority is delegated to Board for such conversion by the Shareholders of Company by passing a special resolution in general meeting in this respect.

Definition of "Event of Default":

Event of Default shall mean an event of default as provided for under Clause (Events of Default and Consequences).

"Default" shall mean an Event of Default or any event or circumstance specified in Clause (Events of Default and Consequences) which would (with the expiry of a cure period, the giving of notice, the making of any determination under the Restructured Documents or any combination of any of the foregoing) be an Event of Default.

Inserted vide Special Resolution passed at 22nd EGM dated 04th December, 2021.

16. Employee stock options

The Board, or a Committee of the Board authorized for this purpose by the Board, may, subject to SEBI (Share Based Employee Benefits) Rules, 2014 and other provisions of law, issue, grant and allot to employees (whether in India or abroad) of the Company (or any of its associate, subsidiary or holding company) of the Company stock options, equity shares or other securities, cashless options, stock appreciation rights, phantom options or any variant options, shares, rights or securities) under any scheme of Employees Stock Options and Shares or other Schemes. Without prejudice to the generality of the foregoing and in particular:

- 1) Employees shall for this purpose include Directors of the Company, whether whole-time or not.
- 2) The issue of securities may be under a cashless scheme of options.
- 3) Loans may be granted to the proposed allottees of securities for acquiring the securities.
- 4) The Company may set up a Trust for the purpose of administration of any of such Schemes.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

17. Sweat Equity Shares

The Company, subject to and in accordance with the provisions of Section 54 of the Act and other application provisions of law shall have the power by a special resolution passed at a general meeting to issue Sweat Equity Shares to Directors or Employees of the Company or its subsidiaries.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

18. Acceptance of Shares

Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein or any shares held in dematerialised form, the record of the Depository shall be acceptance of shares within meaning of these Articles.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

19. Deposit and call etc. to be a debt.

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

b) The Company may make at the time of issue of shares, a difference with the holders of such shares in the amount of calls to be paid and the time of payment of such calls.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

20. Liability of Members

Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share of 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 accordance with the Company's regulations, require or fix for the payment thereof.

SHARE CERTIFICATES

21. Share Certificate

- a) 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 fifty rupees for each certificate after the first.
 - (iii) every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
 - (iv) in respect of any shares or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- b) 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 or other 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

22. Renewal of Share Certificate

- a) If any Share Certificate is 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 fifty rupees for each certificate.

- b) The provisions of Articles 21 and 22 shall mutatis mutandis apply to debentures of the Company.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

23. The first name of joint holders deemed sole holder

- a) If any share stands in the names of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus or service of notices and all or any other matter connected with the Company but the joint holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such shares and for all incidents thereof according to the Company's Articles.
- b) Further, in 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 other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

24. Company not bound to recognise any interest in share other than registered holder

Except as ordered by a Court of Competent jurisdiction or as may by law required, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial owner of shares in the records of the Depository, as the absolute owner thereof. Accordingly the Company shall not be bound to recognise any equitable, contingent, future or partial interest, benami, trust or other claim to or interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, on the part of any other person whether or not it shall have expressed or implied notice thereof. The Board shall be at liberty at their discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

DEMATERIALISATION OF SECURITIES

25. a) Dematerialisation of securities

The Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and / or offer its fresh shares and debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any."

b) Option for investors

Every person subscribing to or holding Shares, debentures and other securities of the Company shall have the option to receive security Certificates or to hold the Shares, debentures and other securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the Law, in respect of any Shares, debentures and other securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates of Shares, debentures and other Securities.

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

c) Securities in Depositories and beneficial owner

All Shares, debentures and other Securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Sections 89 and 112 of the Act shall apply to a depository in respect of the Shares, debentures and other Securities held by it on behalf of the Beneficial Owners.

d) Right of Depositories and Beneficial owners

- (i) Notwithstanding 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 Shares, debentures and other Securities on behalf of the Beneficial Owners.
- (ii) Save as otherwise provided in sub clause (i) above the depository as the registered owner of the Shares, debentures and other Securities shall not have any voting rights or any other rights in respect of the Shares, debentures and other Securities held by it.
- (iii) Every person holding Shares, debentures and other 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 Shares, debentures and other securities shall be entitled to all the rights and benefits and be subject to all the Liabilities in respect of his Shares, debentures and other securities which are held by a depository.

e) Service of Documents on the Company

Notwithstanding anything in the Act or these Articles to the contrary, where Shares, debentures and other 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.

f) Intimation to Depository

Notwithstanding anything contained in this Article 25 (a) where Shares, debentures and other securities are dealt with in a depository, the Company shall intimate the details of allotment of Shares, debentures and other securities to depository immediately on allotment of such Shares, debentures and other securities.

g) Distinctive numbers of securities held in a depository

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

h) Register and index of beneficial owners

The Company shall cause to be kept at the office or at such other place as may be approved a Register and Index of Members in accordance with Section 88 and other applicable provisions of the Act, and the Depositories Act, 1996, with the details of Shares debentures and other Securities held in physical and dematerialised forms in any media as may be permitted by Law including in any form of electronic media. The Register and Index of beneficial owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall also be deemed to be Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a branch Register of Members resident in that state or country.

UNDERWRITING & BROKERAGE

26. Commission may be paid

Subject to the provisions of sub-Section 6 of Section 40 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally for any Shares, debentures and other Securities in the Company, or procuring or agreeing to procure subscriptions (Whether absolute or conditional) for any Shares, debentures and other Securities in the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any Shares, debentures and other Securities in the Company, but so that the commission shall not exceed the maximum permissible rate as prescribed under Rule 13(c) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 Such commission may be satisfied by payment of cash or by allotment of fully or partly paid Shares, debentures and other Securities or partly in one way and partly in the other.

27. [Intentionally left blank]

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

28. Intentionally left blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

CALLS

29. Calls how to be made

The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all or any portion of the moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made of him to the persons or persons and at the times and places appointed by the Board. A call may be made payable by installments.

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

30. Notice of calls

Each member shall, subject to receiving minimum fourteen (14) days' notice in writing of any call by the Company specifying the time and place of payment, pay to the Company at the time or times and place so specified, the amount called on his shares. The Board may from time to time at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members, except as a matter of grace and favour.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

31. Calls to date from resolution

A call shall be deemed to have been made at the time when the resolution authorising such calls was passed at a meeting of the Board.

32. Calls may be revoked or postponed

A call may be revoked or postponed at the discretion of the Board and may be required to be paid by installments.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

33. Liability of joint holders

The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

34. Intentionally left blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

35. Overdue calls to carry interest

a) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at (10%) ten per cent per annum or at such lower rate, if any, as the Board may determine.

b) The Board shall be at liberty to waive payment of any such interest wholly or in part.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

36. Sums deemed to be calls

a) Any sum, which by the terms of issue of a share becomes payable on allotment or at any fixed

date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable ;

- b) In case of non-payment of such sum all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if, such sum had become payable by virtue of a call duly made and notified.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

37. Proof on trial of suit for money due on shares

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered , appears entered on the Register of Members as the Holder, at or subsequent to the date at which the money sought to be recovered that the resolution making the call is duly recorded in the minute book, and that notice of such call was duly given to the Member of his representatives used in pursuance of these Articles ; and it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matter whatsoever , but the proof of the matters aforesaid shall conclusive evidence of the debt.

38. Partial payment

Neither the receipt of the Company of a portion of any money which shall from time to time be due from Member to the Company in respect of his shares, either by way of principal or interest , nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as hereinafter provided.

39. Payment in anticipation of calls may carry interest

The Board may, if it thinks fit, specify that advance against call shall carry interest and receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him and upon all or any of the moneys so advanced may (until the same would but for such advance become presently payable) pay interest at such rate not exceeding ten percent (10) per annum as also may be agreed upon between the Board and the Member paying the sum in advance, unless the company in general meeting shall otherwise direct.

No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

LIEN

40. Company's Lien on shares

- a) The Company shall have a first and paramount lien –
- i) on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of that share;
 - 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 clause.

- b) The Company's lien, if any, on a share shall also extend to all dividends payable and bonuses declared from time to time in respect of such shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

41. Enforcing Lien by Sale

- a) For the purpose of enforcing such lien the Board may sell the shares subject thereto in such manner as they shall think fit 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 fourteen 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.
- b) To give effect to any such sale, the Board may authorise one of their members to execute a transfer thereof on behalf of and in the name of such Member. The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

42. Application of proceeds of sale

The proceeds of the sale shall be received by the Company and applied in payment of such part of the amounts in respect of which the lien exists as is presently payable. The residue, if any, shall subject to a like lien for sums not presently payable as existed upon the shares before sale be paid to the persons entitled to the shares at the date of the sale.

FORFEITURE OF SHARES

43. Notice to member in case of money payable on shares not paid

If any Member fails to pay any call or installment of a call on the day appointed for the payment thereof, the Board may, at any time, thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment together with any interest which may have accrued on the amount.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

44. Form of Notice

The notice shall (i) name a day (not being earlier than fourteen days from the date of service of the notice) on or before which payment under the notice shall be required to be made; and (ii) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made or installment is payable shall be liable to be forfeited.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

45. Shares to be forfeited in default of payment

If the requirements of any such notice as aforesaid shall not be complied with every or any shares in respect of which such notice has been given, then the shares may at any time thereafter before payment which was 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 or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016

46. Intentionally left blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

47. Forfeited share to be property of the company and may be sold

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

48. Members still liable to pay money at the time of forfeiture and interest

Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand, all calls, installments, interest and expense owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding ten (10%) per annum and as the Board may determine and the Board may enforce the payment thereof, if it thinks fit. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies which are to be paid in respect of the shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

49. Effect of forfeiture

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

50. Evidence of forfeiture

A duly verified declaration in writing that the declarant is a Director, Manager or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

50A. Eligibility for Forfeiture

The provisions of these regulations as to forfeiture shall apply in 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 nominal value of the share or by way of premium in the manner as if the same had been payable by virtue of a call duly made and notified.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

51. Validity of sale

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold. 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. The transferee shall thereupon be registered as the holder of the share and 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

52. Cancellation of share certificate in respect of for forfeited shares

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto. A forfeited share may be sold or otherwise disposed of on such terms and in such manner as

the Board may think fit. At any time before a sale or disposal of shares as aforesaid, the Board may cancel the forfeiture on such terms as it may think fit.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

53. Intentionally Left Blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

TRANSFER AND TRANSMISSION OF SHARES

54. Register of Transfers or Transmission

The Company shall keep a "Register of Transfer" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any Shares, debentures and other Securities.

55. Form of transfers

The instrument of transfer of any shares in the Company shall be executed by or on behalf of both the transferor and transferee in writing and all the provisions of Section 65(1) of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares, debentures and other securities.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

56. Transfer form to be completed and presented to the Company

The proper instrument of transfer duly stamped and executed by the transferor or the transferee shall be delivered to the Company in accordance with the provisions of Section 56(1) of the Act along with certificate relating to the securities or if no such certificate along with the letter of allotment of securities. The instrument of transfer shall be accompanied by such evidence as the Board may require proving the title of transferor and his right to transfer the Shares debentures and other Securities and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board. The transferor shall be deemed to be the holder of such Shares, Debentures and other Securities until the name of the transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate of the Shares, Debentures and other Securities must be delivered to the Company. The transfer of the Shares debentures and other securities shall be affected within the period specified in Section 56(4) of the Act.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

57. Closure of Transfer Books and Register of Members

The Board shall have power on giving not less than seven day's previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situated to close the transfer books the Register of Members or Register of Debenture-holders, at such time or times and for such period or periods as the Board may determine not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year.

58. Refusal of registering the transfer

(a) The Board may, subject to the right of appeal conferred by Section 58 decline to register -

- (i) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (ii) any transfer of shares on which the company has a lien; or
- (iii) any transfer of shares, which are not in accordance with the provisions of these

Articles. The Board may decline to recognize any instrument of transfer unless-

- (i) the instrument of transfer is in the form as prescribed in rules made under sub-Section (1) of Section 56;
 - (ii) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer ; and
 - (iii) the instrument of transfer is in respect of only one class of shares.
- (b) The Board shall have the discretion to decline its approval to any transfer of shares at a price per share that is below the fair market price for the Company's shares. The Board shall be entitled to procure or require a transferor or transferee of shares of the Company to procure and provide to the Board a certificate from an independent Chartered Accountant determining the fair market price of the Company's shares, and the costs for such certificate shall be borne and paid by the transferor and/or transferee.
- (c) The Board shall, before the expiry of one month from the date on which the instrument of transfer of any of its shares, debentures or other securities is lodged with it for the purpose of registration of such transfer not only form, in good faith, its opinion as to whether such registration ought or ought not to be refused on any ground mentioned in Article 58(b) but also,
- i) If it has formed the opinion that such registration ought not to be so refused, affect such registration.
 - ii) If it has formed the opinion that such registration ought to be refused on the ground mentioned in Article 58(a) above, intimate the transferor and the transferee by notice in the prescribed form about the requirements under applicable law which has or which have to be complied with for scrutinizing such registration ; Provided that the registration of transfer of shares shall not be refused on the ground that the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever, except, a lien on the unpaid call on shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

59. Notice of application when to be given

An application for the registration of transfer of shares or other interest of a member in the Company shall be in accordance with sub-section (3) of Section 56 of the Act and may be made either by the transferor or the transferee. Where such application is made by the transferor and relates to the partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

60. Liabilities and obligations on transfer of shares

Any Transfer of Equity Shares (including in an offering to the general public or through the public stock markets) hereunder shall not release the party transferring such Equity Shares from any liabilities and obligations under these Articles incurred prior to the date of such Transfer or with respect to Equity Shares that it continues to own after the date of such Transfer.

61. Death of one or more joint holders of shares

In the case of the death of any one or more of the persons named in the Register of Members as the joint - holders of any share the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other persons.

62. Title to shares of deceased members

- a) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time reasonably 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.
- b) 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

63. No transfer to infant etc.

No share shall in any circumstances be transferred to any infant, insolvent or person of unsound mind.

64. Persons entitled to shares in consequence of death, lunacy, bankruptcy or insolvency of any member

A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

65. Persons entitled to receive dividend without being registered as member

A person to a share by transmission shall subject to the right of the Directors to retain such dividends or moneys as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the shares.

66. Company liable for disregard of a notice prohibiting registration

The Company shall incur no liability or responsibility whatsoever in consequences 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 Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice, or referred thereto, in any book of the Company, and the Company shall not be bound 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.

67. Nomination

"Every holder/joint holder of Shares in or holder/joint holder of Debentures of other Securities holders of the Company may at any time nominate, in accordance with the provisions of and in the manner provided by Section 72 of the Act, a person to who all the rights in the Shares, debentures or other Securities of the Company shall vest in the event of death of the holder/joint holders.

67(A) and 67(b) deleted through Special Resolution passed at 29th AGM dated 30th September, 2016.

COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS

68. Copies of Memorandum and Articles of Association to be sent to Members by the Company

Copies of the Memorandum & Articles of Association of the Company and other documents referred

to in the Section 17 of the Act shall be sent by the Company to every member at his request within seven days of the receipt of request on payment of the sum of Rupee Twenty for each copy.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

BORROWINGS

69. Power to borrow

- a) Subject to the provisions of the Act, the Board may, from time to time at its discretion by a resolution passed at meeting of the Board, borrow any sum or sums of money for the purpose of the Company's business provided , however, that where the moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purposes) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

Provided that the Board may, by a resolution passed at a meeting, delegate to any committee of directors, the managing director, the manager or any other principal officer of the company or in the case of a branch office of the company, the principal officer of the branch office, the power of making such borrowing on such conditions as it may specify.

- b) In respect of dealings between a company and its bankers, the exercise by the company of the power specified in this Article shall mean the arrangement made by the company with its bankers for the borrowing of money by way of overdraft or cash credit or otherwise and not the actual day- to-day operation on overdraft, cash credit or other accounts by means of which the arrangement so made is actually availed of.

For the purpose of this Article, the expression "temporary loans" means loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

70. Payment or repayment of moneys borrowed

Subject to the provisions of Article 69 hereof , the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the resolution shall prescribe, including by the issue of debentures or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being, and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

71. Terms of issue of debentures

Subject to Section 71 of the Act, any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued with an option to convert into shares, either wholly or partly, of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attendance (but not voting) approved by a special resolution passed at a general meetings.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

72. Register of mortgage etc. to be kept

The Board shall cause a proper Register to be kept in accordance with the provisions of Section 85 of the Act of all mortgages , debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 71, 77, 79, 81 to 87 (both inclusive) of the Act in that behalf to be duly complied with.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

73. Register and index of debenture holders

The Company shall if at any time it issued debentures, keep a register and index of Debenture holders in accordance with Section 88 of the Act.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

74. Powers to issue share warrants

Subject to the provisions of SEBI (Issue of Capital and Disclosure Requirements) , Regulations , 2018 the Company may issue share warrants which may entitle the holders thereof to subscribe to equity shares or such other securities with or without consideration and with or without refundable/forfeitable deposit and on such terms and conditions as Board may deem fit. Accordingly the Board may in its discretion, with respect to any share which is fully paid , upon application in writing signed by the persons registered as holders of the share warrants and authenticated by such evidence (if any) as the Board may from time to time require-as-to the identify the person signing the application , and on receiving the certificate (if any) of the share warrants and the amount of the stamp duty on the share warrant and such fee as the Board may from time to time require, issue equity shares or other securities.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

75. Intentionally Left Blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

76. Intentionally Left Blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

MEETING OF MEMBERS

77. Annual General Meeting / AGM

The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra Ordinary General Meetings. Annual General Meetings of the Company shall be held with six (6) months after the expiry of each financial year, provided that not more than fifteen (15) months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96 of the Act to extend the time within which an Annual General Meeting shall be held by a period not exceeding three (3) months.

78. Extra Ordinary General Meeting

If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

79. Requisition of members to state object of meeting

Any valid requisition so made by members must state the 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 like form each signed by one or more requisitionists.

80. Directors to call meeting on receipt of requisition and in default requisitionists may do so

Upon the receipt of any such requisition made by such number of members who hold, on the date of the 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, as referred to Section 100(2)(a) of the Act in case of company having a share capital or not less than one-tenth of such of the total voting power of all the members as on that date carries the right of voting, as referred to Section 100(2)(b) of the Act in case of company not having a share capital, the Board shall forthwith call an extra ordinary general

meeting. If the Board do not proceed within twenty one days from the date of the receipt of valid requisition proceed to cause a meeting to be called on a day not later than forty five days from the date of deposit of the valid requisition, then the requisitionists may themselves call the meeting , but in either case any meeting so called shall be held within three months from the date of the requisition as aforesaid.

Provided that any reasonable expenses incurred by the requisitionists in calling a meeting under the provisions of the Act, shall be reimbursed to the requisitionists by the Company.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

81. Meeting called by requisitionist

Any meeting called under the forgoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meeting is to be called by the Board.

82. (a) Twenty one day's notice of meeting

At least twenty-one (21) days' notice, either in writing or through electronic mode, of every general meeting, annual or extra-ordinary, and by whomsoever called, specifying the day, place and hour of meeting and the general nature of the business to be transacted there at, shall be given in the manner hereinafter provided, to such persons as are under these articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in case of any other meeting, with the consent of members holding not less 95 percent of such part of the paid up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice.

82. (b) Special Business

In the case of an Annual General Meeting, if any business other than (i) the consideration of the accounts, balance sheets and reports of the Board of Directors and Statutory Auditors (ii) the declaration of dividend (iii) the appointment of Directors in place of those retiring (iv) the appointment of and fixing of the remuneration of the Auditors is to be transacted and in the case of any other meeting in any event there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern of interest, if any, therein, of every director, Key Manager Personnel and the Manager (if any). Where any such item of special business relates to or affects any other Company, the extent of shareholding interest in that other company of every director and the manager, if any, of the Company shall also be set out in the statement to the extent of such share capital of that other Company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.

82. (c) Agenda of the meeting

Every notice convening a meeting of the Members of the Company shall include a statement of the business to be transacted at such meeting.

82. (d) Super Majority Resolution

Every resolution passed in the General Meeting in respect to the acquisition or takeover or any other matter culminating to loss of control of management by Founders shall require passing of resolution through voting by super majority in general meeting of the Company.

For the purpose of this Article, "Super Majority: means at least 75% of the Members present at the General meeting (including proxies), representing at least 75% of the total voting rights. Any suspended Members shall not be taken into account.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

83. Omission to give notice not to invalidate resolution passed

The accidental omission to give any such notice as aforesaid to any of the Members or the non-receipt thereof shall not invalidate any resolution passed at any such meeting.

84. Quorum of General Meeting

Following members present in person, shall constitute a quorum for a General Meeting of the Company, whether annual or extraordinary -

- (i) five members, if the number of members as on the date of meeting is not more than one thousand;
- (ii) fifteen members, if the number of members as on the date of meeting is more than one thousand but up to five thousand;
- (iii) thirty members, if the number of members as on the date of the meeting exceeds five thousand;

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

85. Chairman of 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 or if at any meeting he shall not be present within fifteen (15) minutes of the time appointed for holding such meeting or he shall be unable or unwilling to take the chair, then Vice Chairman shall be entitled to take the chair at the General Meeting, whether annual or extraordinary. If at any meeting the Vice Chairman shall not be present within fifteen (15) minutes of the time appointed for holding such meeting or he shall be unable or unwilling to take the chair, then Members present shall elect another Director as Chairman, and if no Director be present, the Members shall elect one of the Members to be the Chairman for the meeting on a show of hands.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

Amended vide Special Resolution passed at 37th AGM dated 16th August, 2024.

86. No business except election of chairman whilst the chair is vacant

No business shall be transacted or discussed at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business, except the election of a Chairman whilst the chair is vacant.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

87. Chairman with consent may adjourn meeting

The Chairman may with the consent of the members personally present a with a proper quorum , may adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place .A resolution passed at an adjourned meeting of the Company shall be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

88. Matters at general meeting how decided

- a) At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless voting is carried out electronically or a poll is demanded by Members ;
- b) The Company, if prescribed by the Central Government or otherwise, undertake voting in respect of the resolution through electronic means;
- c) Before or on the declaration of the result of the voting on any resolution on show of hand , a poll may be ordered to be taken by the Chairman of the meeting on his own motion or demanded by members present in person or by proxy , where allowed, holding not less than one-tenth of the total Voting Power or holding shares on which an aggregate sum of not less than five lakh rupees or such high amount as may be prescribed has been paid up, in respect of the resolution and the vote shall be determined by such poll

- d) A declaration by the Chairman of the meeting of the passing of a resolution or otherwise by show of hands under Article 88(a) above and an entry to that effect in the book containing the minutes of the meeting of the Company shall be conclusive evidence of the fact of the passing of such resolution or otherwise.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

88A Deleted vide Special Resolution passed at 22nd EGM dated 04th December, 2021.

89. Chairman to have casting vote

In the case of an equality of votes the Chairman shall both on show of hands or voting through electronic means 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 member.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

90. Poll to be taken if demanded

If a poll is demanded as aforesaid, the same shall be taken at such time (not later than forty eight hours from the time when the demand was made) and shall take place in the city or town in which an office of the Company is for the time being situate. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.

91. Scrutinizers at poll

Where a poll is to be taken, the Chairman of the meeting shall appoint one or more scrutinizers to scrutinize the votes given on the poll and to report thereon to him. The scrutinizer so appointed shall always be a practicing chartered accountant practicing cost accountant or practicing Company Secretary or an Advocate or a member who is a person of repute (not being an officer or employee of the Company) present at the meeting provided such a member 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. The scrutinizer(s) appointed for poll, shall submit a signed report in prescribed format to the Chairman of the meeting within seven days from the date the poll is taken. The Chairman shall declare the result of Voting on poll either in the form of announcement by him or a person authorized by him in writing.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

92. In what cases poll taken without adjournment

Any poll duly demanded on the election of the Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

93. Demand of poll not to prevent transaction of other business

The demand for a poll except on the question of the appointment 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

94. Members in arrears not to vote

No member shall be entitled to vote either personally or by proxy at any General Meeting of class of shareholder either upon a show of hands or voting through electronic means or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

95. Number of votes to which member entitled

Subject to any rights or restrictions for the time being attached to any class or classes of shares, other than DVR Shares, -

- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

Provided however if any preference shareholder be present at any meeting of the Company save as provided in sub Section (2) of Section 47 of the Act, he shall have a right to vote only on resolution passed before the meeting which directly affects the rights attached to his preference shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

96. Number of votes on DVR Shares

Subject to any rights or restrictions for the time being attached to any class or classes of shares, every member holding DVR Shares -

- (a) on a show of hands and present in person shall have one vote for 10 (Ten) DVR Shares; and
- (b) on a poll each DVR Shareholder shall have one vote for every 10 DVR Shares held by such Shareholder.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

97. Voting by specified persons

A member of unsound mind or in respect of whom an order has been made by 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 poll vote by proxy.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

98. Votes of Joint holders

If there be joint holders of any shares any one of such persons may vote at any meeting or may appoint another person (whether a member or not) as his proxy in respect of such shares, and other shall not have any right to speak at the meeting and if more than one of such joint holders be present at any meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares but the other or others of joint holders shall be entitled to be present at the meeting. Several executors or administrator of a deceased member in whose name shares stand shall for the purpose of these Articles be deemed joint holders thereof.

99. Voting by person or proxy

Subject to the provisions of these Articles votes may be given either personally or by proxy. A body corporate being a member may vote either by proxy or by a representative duly authorised in accordance with Section 113 of the Act and such representatives shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

100. Votes in respect of shares of deceased and insolvent member

Any person entitled under Article 64 to transfer of any share may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that forty eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such share and give such indemnity (if any) as the Directors may require or the Directors shall have previously

admitted his right to vote at such meeting in respect thereof.

101. Appointment of proxy

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

Provided that any person appointed as a proxy shall act on behalf of such member or number of members not exceeding fifty and such number of shares as may be prescribed.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

102. Proxy either for specified meeting or for a period

An instrument appointing a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

103. Intentionally Left Blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

104. Deposit of instrument of proxy

The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or Notary certified copy of that power or authority, shall be deposited at the registered office of the Company not later than forty-eight (48) hours before the time for holding the meeting at which the person named in the instrument purposes 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.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

105. Form of Proxy

Every instrument of proxy whether for a specified meeting or otherwise shall be in any of the forms prescribed in the rules made under Section 105 of the Act.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

106. Validity of votes given by proxy

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 any power of attorney under which such proxy was executed, or the transfer of the share in respect of which the Proxy is given provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

107. No objection on qualification of voter

No objection shall be raised to the qualification validity of any voter, except at any meeting or adjourned meeting at which such vote objected is tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or shall be deemed valid for all purpose of such meeting.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

108. Chairman of the Meeting to be the judge of validity of every vote.

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting, whose decision shall be final and conclusive.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

109. Resolutions to be passed by postal ballot

- a) Notwithstanding anything contained in this Act, a company-
 - (i) shall, in respect of such items of business as the Central Government may, by notification, declare to be transacted only by means of postal ballot; and
 - (ii) may, in respect of any item of business, other than ordinary business at AGM and any business in respect of which directors or any Auditor have a right to be heard at any meeting, transact by means of postal ballot, in such manner as may be prescribed, instead of transacting such business at a general meeting.
- b) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.
- c) The resolution passed through the Postal Ballot shall be deemed to be passed when Chairman of the Company declares the results of Postal Ballot in prescribed manner in relevant Rules based on the report of the Scrutinizer appointed for the conduct of Postal Ballot.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

110. Minutes of general meeting and inspection thereof by members

- 1) The Company shall cause minutes of the proceedings of every General Meeting of any class of shareholders or creditors and every resolution passed by postal ballot or e-voting to be prepared and signed in the prescribed manner and kept within thirty days of the conclusion of every such meeting concerned, or passing of resolutions by postal ballot in electronic form or in any other form as may be prescribed by the Act and rules thereof.
- 2) Each minutes shall be initialed or in case of electronic form, signed by the Chairman of the same meeting within the aforesaid period or thirty days or in the event of the death or inability of that chairman within that period, by Director duly authorised by the Board for the purpose.
- 3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- 4) The minutes of each meeting shall contain a fair and correct summary of the proceedings of thereat.
- 5) All appointments made at any of the meetings aforesaid shall be included in the minutes of the meeting;
- 6) Nothing herein contained shall require or deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceeding (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- 7) Any such minutes shall be evidence of the proceedings recorded therein.
- 8) The book or electronic record containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, to the inspection of any member for such periods not being more in the aggregate two hours in each working day as the Directors determine to the inspection of any member without charge or such other reasonable restrictions as set out in general meeting.
- 9) The Company shall furnish to any member, within seven working days after a request has been made in that behalf to the Company, and on payment of such fees as may be prescribed, with a copy of any minutes referred to above.

110A. Maintenance of records in electronic form:-

The Company shall maintain all the records, documents, registers, minutes in electronic form in a manner prescribed below:-

- a) Records shall be maintained in accordance with all other requirements as provided in the Act or rules made there under;
- b) Information required in the Records shall be adequately recorded for any future reference ;
- c) Records shall be properly dated and signed digitally by the Chairman of the Board or Managing Director or Company Secretary as the case may be and shall not be capable of being edited or altered once signed digitally ;
- d) Records shall be updated periodically as per the provisions of the Act;
- e) Managing Director and Company Secretary shall be responsible for the maintenance and security of such electronic records ;
- f) Records shall be made available for inspection in electronic form or to provide copies of those records containing a clear reproduction of the whole or part thereof, as the case may be on payment of not exceeding ten rupees per page.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

DIRECTORS

111. Number of Directors:

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 and 151 of the Act the number of Directors (including Additional Directors but excluding Alternate Directors) **shall not be less than three (3) or more than Fifteen (15)** or such additional number as may be decided by Board, subject to passing of special resolution as per the provisions of the Act. The Company shall also comply with the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the provisions of SEBI Listing Regulations. The Board of the Company shall have a combination of executive, non-executive and Independent Directors with at least one woman director on its Board, as may be prescribed by Applicable Laws from time to time.

Amended vide Special Resolution passed at 33rd AGM dated 30th December, 2020

Amended vide Special Resolution passed at 37th AGM dated 16th August, 2024.

111 B. Mandala Observer

- (i) Mandala shall have the right to appoint one non-voting observer ("**Mandala Observer**"). Such Mandala Observer shall be given notice, agenda and supporting documents in connection with the agenda, of any meetings or decision of the Board or any committee thereof (including in relation to any resolution proposed to be passed by circulation) and may attend and observe any meeting or decision of the Board or committee thereof, and shall all information and inspection rights, as if he were a Director.
- (ii) Subject to Article 111B (x) below , Mandala shall have the right to appoint on the Board, one Director ("**Mandala Director**"), in addition to the Mandala Observer appointed under Article 111 B (i) above in case of:
 - a) any vacancy in the Board arising subsequent to 14 December, 2015, pursuant to expansion in size of the Board or retirement (where the retiring member is not immediately re-appointed to the Board), resignation or removal of any of the current Board members ; or
 - b) upon occurrence of an Appointment Event, provided that if the appointment of the Mandala Director is pursuant to this Article 111B (ii) (b), then such Director shall continue on the Board only till the annual general meeting of the Company, immediately following the cure or remedy of such Appointment Event, at which other Directors of the Company are re- appointed upon retirement. The appointment of a Mandala Director pursuant to this Article 111B (ii) (b) is without prejudice to the Mandala's other rights and remedies under contract, law and equity, in respect of an Appointment Event.

For the avoidance of doubt (a) if an Mandala Director has been appointed pursuant to Article 111B (ii) (a) above, then Mandala shall not be entitled to appoint another Mandala Director pursuant to Article 111B(ii)(b) above; and (b) if during the appointment of an Mandala Director continuing pursuant to Article 111B(ii)(b) above, Mandala becomes entitled to appoint an Mandala

Director pursuant to Article 111B(ii)a) above, then such Director who has already been appointed pursuant to Article 111B(ii)b) above shall be deemed to have been appointed pursuant to Article 111B(ii)a) above from the date the Mandala becomes so entitled and shall not thereafter be required to vacate the Board upon the cure or remedy of any Appointment Event.

- (iii) Mandala Observer and Mandala Director shall be subject to reasonable confidentiality obligations to the Company. The Mandala Observer and Mandala Director shall inform (subject to any confidentiality obligations that s/he is bound by) the Company of any potential conflict of interest in respect of any matter that is deliberated upon by the Board, promptly on becoming aware thereof. The Mandala Observer or Mandala Director shall thereupon recuse themselves from such deliberations.
- (iv) To the fullest extent permissible under Applicable Law, the appointment, removal or replacement of a Mandala Director to or from the position of Director shall take effect immediately upon service of a written notice to this effect by the Mandala on the Company, provided that to the extent this is not possible under Applicable Law, the Mandala may nominate a person as a Director and the Company shall take all steps to ensure that such person is appointed as a director in accordance with the provisions of this Article 111B.
- (v) The Mandala Director shall be a non-executive director but shall be entitled to receive sitting fees equivalent to the sitting fees received by other Directors in the Company and be reimbursed all reasonable expenses incurred or suffered by him or the Mandala in relation to his acting as a Director of the Company, including without limitation the costs for attending meetings of the Board or any committee thereof and the costs of travel and stay for such attendance or participation.
- (vi) The Mandala will have the right to (i) appoint the Mandala Observer to all delegated committees constituted by the Board (including without limitation the audit, compensation, nominations and governance committees, as applicable); or (ii) upon the Mandala gaining a right to appoint a Director under this Agreement, appoint (a) the Mandala Director, as a Director to the audit committee of the Board; and (b) either the Mandala Director as a non-voting observer, or the Mandala Observer, to all other delegated committees of the Board.
- (vii) Subject to the Act, the Mandala Director shall have the right to appoint an alternate Director (who may, to the extent permissible under Applicable Law, also be an existing Director) who will serve on the Board in the absence of the original Mandala Director. Each Mandala Director shall also have a right to recall or replace such alternate Director. Each such alternate Director shall be entitled to all rights and perform all actions of the original Mandala Director, in his absence, including for constituting quorum, voting, consenting and signing written resolutions and shall also be subject to reasonable confidentiality obligations. And references in these Articles to a Mandala Director shall include a reference to any such alternate Director.
- (viii) None of the Mandala Director, his alternate or, the Mandala Observer shall be (i) responsible for the day-to-day management of the Company, (ii) an officer in default for the purposes of the Act, (iii) a person in charge of and responsible to the Company for the conduct of business of the Company, or fulfil any similar requirement under Applicable Law, or (iv) otherwise liable for any failure by the Company to comply with Applicable Law.
- (ix) **D&O Insurance:** The Company shall, at its own cost, obtain suitable director and officer liability ("D&O") insurance for the Mandala Director. The Mandala Director, as and when appointed under this Article shall be entitled to avail coverage of D&O insurance as per existing prevailing policy of the Company applicable to all other directors. The D&O Insurance shall be renewed from time to time at the cost of the Company. Without prejudice to the foregoing, the Company shall also indemnify all the officers and directors appointed by the Mandala to the Board from time to time (including without limitation, the Mandala Director and Observer) to the fullest extent permissible under Applicable Law.
- (x) **Fall Away:** The Mandala's rights to appoint a Mandala Observer or Mandala Director pursuant to this Article 111B shall cease upon the Mandala ceasing to hold Equity Securities that, on an as converted basis, represent at least 24,669,8861 Equity Shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

112. Number of Directors

- a) The Founders shall be entitled to nominate a minimum of seven (7) individuals for appointment as

Directors (including Additional Directors) of the Company.

- b) Subject to the provisions of Section 152 of the Act two (2) Directors nominated for appointment by the Founders and as specified by them shall be non-retiring Directors of the Company ;
- c) Any one of the Directors appointed by Founders shall be appointed as the Chairperson of the Company.
- d) Any one of the Directors appointed by Founders shall be appointed as the Managing Director of the Company.
- e) Each retiring directors shall serve a term of 3 years from the date of their election. A full 3 year term shall be considered to have been served upon the time gap of 3 annual meetings.
- f) The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

113. Alternate Director

- a) The Board is authorised to appoint a person to act as an Alternate Director, not being a person holding any alternate directorship for any other director in the company, nominated in writing by any Director (hereinafter called the "Original Director") during his absence, for a period of not less than three (3) months from India .
- b) Alternate Directors so appointed shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed , and shall vacate office if and when the Original Director returns to India.
- c) Any such Alternate Director shall be entitled to receive notice of all meetings of the Board and all circular resolutions and attend and vote at any meeting at which the Original Director is not personally present, and generally in the absence of the Original Director to do all things which the Original Director is authorized or empowered to do. If the term of the office of the Original Director is determined before he so returns to the State aforesaid any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the Original Director and not to the Alternate Director.
- d) No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of this Act.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

114. Powers to Board to appoint Director

Subject to the provision of Section 149 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified to be an Additional Director, provided such Person is nominated for appointment in the manner set out at Article 114 above, and provided that the total number of Directors shall not at any time exceed the maximum numbers fixed under Article 111. Any such Additional Directors shall hold office only up to the date of the next Annual General Meeting, but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

115. Nominee Director

- i. So long as any moneys remain owing by the Company to the State Bank of India, Industrial Development Bank of India, Industrial Finance Corporation of India, the Industrial Credit and Investment Corporation of India Limited , the Industrial Reconstruction Corporation of India Limited , Life Insurance Corporation of India, Unit Trust of India, General Insurance Corporation of India, National Insurance Company Limited, the Oriental Fire and General Insurance Company Limited, the New India Assurance Company Limited, United India Insurance Company Limited or a State Finance Corporation or any financial institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by

Central Government or State Government by themselves (hereinafter collectively referred to as the "Institution") out of any loans/debenture assistance granted by them to the Company or so long as the Institution holds or continues to hold debentures/shares in the Company as a result of underwriting or by subscription or private placement , or so long as any liability of the Company arising out of any guarantee furnished by the Institution on behalf of the Company remains outstanding , the Board shall have, subject to the provisions of Section 161 of the Act, the power to agree that the Institution shall have the right to appoint or nominate by a notice in writing addressed to the Company any Person as a Director on the Board of the Company. Such director shall be governed by the provisions of the Act and shall not be governed by the regulatory provisions governing any member of the Institution.

- ii. The Board may also agree that any such Director or Directors may be removed from time to time by the Appointer/Corporation entitled to appoint or nominate them and to appoint another or others in his or their places and also fill any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. Unless otherwise agreed by the Directors appointed or nominated under this Article, such Directors shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the other Directors of the Company including payment of remuneration and traveling, expenses to such Director or Directors as may be agreed by the Company with the Appointer/ Corporation.
- iii. The Board of the Company shall have no power to remove from office the Nominee Director. At the option of the Appointer/Corporation such Nominee Directors shall not be required to hold any share qualification in the Company. The Company agrees that if the Board of the Company has constituted or proposes to constitute any management committee or other committee or other committees it shall, if so required by the Appointer/Corporation include the Nominee Director as a member of such management committee or other committees. Subject as aforesaid the Nominee Directors shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- iv. The Nominee Directors so appointed shall hold the said office only so long as any moneys remains owing by the Company to the Appointer/Corporation or so long as the Appointer/Corporation hold or continues to hold debentures/shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of any guarantee is outstanding and the Nominee Directors so appointed in exercise of the said power shall also ipso facto vacate such office immediately the moneys owing by the Company to the Appointer/Corporation are paid off or on the Appointer/Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of any guarantee furnished by the Appointer/Corporation.
- v. The Nominee Directors appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and meetings of the committee of which the Nominee Directors is/are members as also receive copies of the minutes of such meetings. The Appointer/Corporation shall also be entitled to receive all such notices and minutes.
- vi. Any Nominee Director shall be entitled to the same sitting fees, commission, remuneration and expenses as are applicable to other Directors of the Company. The Company shall pay the sitting fees and other expenses to the Nominee Directors directly, but the commission , remuneration or other monies and fees to which the Nominee Directors is/are entitled shall accrue and be due to the Appointer/Corporation and shall accordingly be paid by the Company directly to the Appointer/Corporation ; provided that if any such Nominee Director is an Officer of the Appointer/Corporation the sitting fees, in relation to such Nominee Director shall also accrue to the Appointer/Corporation and the same shall accordingly be paid by the Company directly to the Appointer/Corporation.
- vii. All expenses that may be incurred by the Appointer/Corporation or such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Appointer/ Corporation or, as the case may be, to such Nominee Directors; provided also that, in the event of the Nominee Director being appointed as whole time Directors,

such Nominee Directors shall exercise such powers and duties as may be approved by the Appointer/Corporation and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Directors shall be entitled to receive such remuneration, fees, commission, and monies as may be approved by the Appointer/Corporation.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

116. Directors power to fill casual vacancies

Subject to the provisions of Section 161(4), and other applicable provisions of the Act, the Board shall have the power at any time and from time to time to appoint any qualified person to be a Director to fill any casual vacancy in the Board, which shall be subsequently approved by the members in the immediate next general meeting, provided such Person is nominated for appointment in accordance with Article 111 to 114. Any Person so appointed shall hold office, only up to the date which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

Amended vide Special Resolution passed at 37th AGM dated 16th August, 2024.

117. Independent Directors

- a) Subject to applicable laws, at least [one half or as may be prescribed by Rules] of the total strength of the Board shall comprise of Independent Directors. The Independent Directors appointed to the Board of the Company -
 - (i) shall not serve as an independent director in more than seven (7) listed companies ;
 - (ii) shall serve as an independent director in not more than three (3) listed companies, if such person serves as a whole time director in any listed company ..
- b) An Independent Director shall be held liable only in
 - (i) respect of omission or commission by a Company which had occurred within his/her knowledge through Board approval and with his/her consent; or
 - (ii) he had not acted diligently with respect to the provisions contained in these Articles , if any
- c) The provisions of this Article shall apply mutatis mutandis to the appointment of alternate directors, if such alternate director is proposed to be appointed in place of Original Director, who is an Independent Director.
- d) At least one Independent Director on the Board of Directors of the Company shall be a director on the Board of Directors of material un-listed subsidiary company, whether incorporated in India or not.
- dd) The independent directors of the listed entity shall hold at least one meeting in a financial year, without the presence of non-independent directors and members of the management and all the independent directors shall strive to be present at such meeting.
- e) The Independent Directors in their meeting , shall *inter alia*:
 - i. review the performance of non-independent directors and the board of directors as a whole;
 - ii. review the performance of the chairperson of company, taking into account the views of the executive directors and non-executive directors;
 - iii. assess the quality, quantity and timelines of the flow of information between management of the company and the board of directors.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

Amended vide Special Resolution passed at 37th AGM dated 16th August, 2024.

118. Chairman of the Board

- a) The Company shall have a Chairman of the Board (the "Chairman").
- b) The Founders shall have the right to nominate the Chairman of the Board.
- c) Mr. Bhavarlal H. Jain shall be the Chairman of the Board for life and, in the event of any incapacitation or inability to perform by Mr. Bhavarlal H. Jain or by his own election then another Director nominated by the Founders from amongst their nominees on the Board Shall be appointed as Chairman.
- d) The same individual may, at the same time, be appointed as the Chairman of the Company as well as the Managing Director or Chief Executive Officer of the Company.
- e) In the event that Mr. Bhavarlal H. Jain is the Chairman and is to conduct any shareholders ' or Board meeting but is absent at such meeting, the Vice Chairman shall be appointed to conduct such meeting.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

119. (a) Remuneration to Director

Subject to the provisions of the Act, a Managing Directors and any other Director who is/are in the whole time employment of the Company may be paid remuneration either by way of a monthly payment or at specified percentage of the net profits of the Company or partly by one way and partly by the other.

119. (b) How to pay remuneration

Subject to the provisions of the Act, a Director who is neither in the whole time employment not a Managing Director may be paid remuneration for his services either:-

- i) by way of monthly , quarterly or annual payment with the approval of the Central Government wherever applicable deemed to accrue on day-to-day basis, or
- ii) by way of commission if the Company by a special resolution authorise such payment.

119. (c) Meeting fees

The Fee payable to a director for attending a meeting of the Board or Committee thereof shall be sum as the Board may from time to time determined , not exceeding Rs. 1,00,000/-.

119A. Severance Payment

- a) The Company shall be entitled to pay each Founder Director, a Severance Payment, upon termination/removal of any Founder Director consequent to a change on the control or management of the Company, or within a period of one (1) month from the effective date of such change in control or management.
- b) The term "Severance Payment" means the sum total of following payments in the nature of compensation to (or for the benefit of) the Founder 's Director -
 - i) Payment of full remuneration through the date of termination or removal at the rate in effect at the time of termination or removal , plus all other amounts and benefits to which the Founder Director is entitled under any agreement with the Company ; and
 - ii) In lieu of any further salary payments to the Founder Director for periods subsequent to the Date of Termination, the Company shall pay as severance pay to you a lump sum severance payment equal to [10] times the sum of your annual remuneration in effect immediately prior to the occurrence of the circumstance giving rise to the termination or removal in respect of any Founder Director.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

120. Traveling expenses to Directors

The Board may allow and pay to any Director, who is not a bonafide resident of the place where the

meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as specified; in Article 119(c) above and if any Director be called upon to go or beside out of the ordinary place of his residence on the Company's business , he shall be entitled to be repaid and reimbursed any traveling or other expenses incurred in connection with the business of the Company.

121. Directors may act notwithstanding any vacancy

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 111 thereof, the continuing Directors not being less than two may act for the purpose of increasing the number to that fixed for the quorum, or of summoning a General Meeting, but for no other purposes.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

122. [Intentionally Left Blank]

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

123. Director may contract with company

- a) Subject to any rules prescribed in this regard, a Director or his relative or a firm in which such Director or relatives is a partner, or any other partner in such firm or a private Company of which the Director is a Member or Director, may enter into any Contract with the Company subject to Section 188 (1) of the Act.

Provided that no contract or arrangement or transactions of such nature and exceeding such sums as may be prescribed by the rules and shall be entered into except with the prior approval of the Company by a special resolution as may be prescribed by the rules.

Provided further that no member of the company shall vote on such special resolution, to approve any contract or arrangement which may be entered into by the company, if such member is a related party,

- b) Where any contract or arrangement is entered into by a director, Key Managerial Personnel or any other employee, without obtaining the consent of the Board or approval by a special resolution in the general meeting in the manner required herein and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, Key Managerial Personnel or is authorised by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

Provided further that nothing contained herein shall apply to any transactions entered into by the Company in its ordinary course of business and the transactions which are on an arm's length basis.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

124. Disclosure of interest and general notice of interest

- a) A Director of the Company who in any way, whether directly or indirectly concerned or interested or becomes interested in any company or companies or bodies corporate, firms, or other association of individuals in such manner as may be prescribed or in a contract or arrangement , or proposed contract or arrangement entered into or to be entered into or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other Company where any of the Directors of the Company or two or more of them together holds or hold not more than two percent of the paid-up share capital in any such other Company.
- b) Such contract or arrangement entered into by the company without disclosure under this

Article or with participation by a director who is concerned or interested in any way, directly or indirectly, in the contract or arrangement, shall be voidable at the option of the company.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

125. General Notice of interest

A General Notice given to the Board by the Director, to the effect that he is Director or member or a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of notice be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement to be made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year in which it is given by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal there of shall be effective unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

126. Interested Directors not to participate in Board proceeding

No Director shall as a Director, take any part in the discussion, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or votes; and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-

- a) any contract of indemnity against any loss which the Director, or any one or more of them may suffer by reason or becoming or being sureties or surety for the Company ;
- b) any contract or arrangement entered into or to be entered into with a public Company or private Company which is a subsidiary of a public Company in which the interest of the Director consists solely:-
 - (i) in his being :-
 - a) a Director of such Company; and
 - b) the holder of not more than the shares of such number of value therein as is requisite to qualify him for appointment as a Director thereof , he having been nominated as such Director by the Company; or
 - (ii) in his being a member holding not more than 2 per cent of its paid-up capital.

127. Register of contracts in which Directors are interested

The Company shall keep a Register in accordance with Section 188 and Section 189 and shall within the time specified in Section 189(2) enter there in such of the particulars as may be relevant having regards to application thereto Section 184 or Section 188 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company and firms of which notice has been given by him under Article 125. The Register shall be kept at the office of the Company and shall be open for inspection at such office, and extracts may be taken there from and copies thereof required by any member of the Company to the same extent in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 94 of the Act shall apply accordingly.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

128. Directors may be Directors of Companies promoted by the Company

A Director may be or become a Director of any Company promoted by the Company, or in which it may be interested as Vendor, shareholder, or otherwise, and no such director shall be accountable for any benefits received as director or shareholders such Company except in so far as Section 184 or Section 197Section of the Act as may be applicable.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

129. Retirement by rotation

At every Annual General Meeting of the Company not less than one-third of such Non Independent Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

130. Ascertainment of Directors retiring by rotation and filling of vacancies

Subject to Section 152(6)(d) of the Act, the Directors to retire by rotation under Article 129 at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves be determined by lot.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

131. Eligibility for re-appointment

A retiring Director shall be eligible for reappointment, subject to the provisions of these Articles.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

132. Provision in default of appointment

- a) If the place of retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place or if that is a national holiday, till the next succeeding day which is not a 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 re- appointed at the adjourned meeting unless,
 - i) at that meeting or at the previous meeting resolution for the reappointment of such Director has been put to the meeting and lost;
 - ii) the retiring Director has, by a notice in writing addressed to the Company or to the 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 provisions of the Act; or
 - v) Section 162 is applicable to the case.
 - vi) the retiring Director has not been nominated for appointment in accordance with these Articles.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

133. Notice of candidature of office of director. Subject to provisions of these Articles -

- a) No person , not being a retiring Director in terms of Section 152, shall be eligible for appointment to the office of the Director at any General Meeting unless he or some member intending to propose him as, not less than fourteen days before the meeting , left at the Registered Office of the Company a Notice in writing, under his hand signifying his candidature for the office of the Director or the intention of such member to propose him as a candidate for that office along with the deposit of one lakh rupees or such higher amount as may be prescribed , which shall be refunded to such person or, as the case may be, to member, if the person proposed gets elected as a director or gets more than twenty-five percent of total valid votes cast either on show of hands or on poll on such resolution.
- b) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director proposed as a candidate for the office of Director) shall sign and file with the Company, his consent in writing to act as a Director, if appointed.

- c) A person other than a Director reappointed by rotation immediately on the expiry of his term of office or an Additional or alternative Director, or person filling a casual vacancy in the office of a Director under Section 161 of the Act, appointed as a Director or reappointed as an additional or alternative director immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

134. a) Register of Directors / Manager / Secretary / Key Managerial Personnel

The Company shall keep at its office a Register containing the particulars of its Directors, Key Managerial Personnel, Manager, Secretary and other persons mentioned in Section 170 of the Act, and shall otherwise comply with the provisions of the said Section in all respects, which shall include details of securities held by each of them in the company or its holding, subsidiary, subsidiary of company's holding company or associate companies.

b) Appointment of Manager / Secretary / Key Managerial Personnel

- i) A chief executive officer, manager, company secretary, chief financial officer or any key managerial personnel may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary, chief financial officer or key managerial personnel so appointed may be removed by means of a resolution of the Board;
- ii) A director may be appointed as chief executive officer, manager, company secretary, chief financial officer or key managerial personnel ;
- iii) A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary, chief financial officer or key managerial personnel shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary, chief financial officer or key managerial personnel.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

135. Disclosure by Directors of appointment to any other body corporate

- a) Every Director (including a person deemed to be a Director by virtue of Section 170 of the Act), Key Managerial Personnel, Managing Director, Manager, or Secretary of the Company shall within thirty days of his appointment to any of the above offices in any other body corporate, disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under sub- Section (i) of Section 170 of the Act.
- b) Disclosure of his holding of shares / debentures of the company

Every Director and every person deemed to be a Director of the Company by virtue of Section 170 of the Act shall give notice to the Company of such matters relating to him as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

136. (a) Founders may appoint Managing Director or Chief Executive Officer

The Founders shall have right by written notice addressed to the Board to designate a member of the Board as the Managing Director of the Company or designate any other Person as the Chief Executive Officer of the Company. The Founders shall also have the right to appoint and remove all the key/senior managerial personnel of the Company including but not limited to the Chief Operating Officer, Chief Financial Officer, Chief Technical Officer, Company Secretary and Chief Marketing Officer.

136. (b) Board resolution may vest powers to Managing Director or Chief Executive Officer

The Board may vest in such Managing Director or Chief Executive Officer such powers as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine.

136. (c) Remuneration to Managing Director or Whole Time Director:

- (i) Subject to Section 197, the remuneration of the Managing Director or Whole Time Director may be by way of a monthly payment fee for each meeting or participation in profits or by any or all of these modes or in any other mode not expressly prohibited by the Act. The total managerial remuneration to any one Managing Director or Whole-time Director shall not exceed 5%, and to all the Managing Directors/Whole-time Directors put together shall not exceed 10%, of the net profits calculated in the manner prescribed under Section 197 of the Act.
- (ii) Subject to the provisions of Section 197 of the Act, any director who is in receipt of any commission from the company and who is a managing or whole-time director of the company shall not be disqualified from receiving any remuneration or commission from any holding company or subsidiary company of such company subject to its disclosure by the company in the Board's report.

136. (d) Managing Director or Chief Executive Officer has authority to oversee and implement the day to day operation of the company.

The Board shall have the authority to grant to the Managing Director or Chief Executive Officer the authority to oversee and implement the day-to-day operations entrusted with substantial powers of the management of the affairs of the Company and its Subsidiaries, which would not otherwise be exercisable by any other Director and which may include the following powers: -

- i. To initiate all necessary corporate actions and comply with all procedural requirements to give effect to or implement the decisions made by the Board of Directors or Shareholders of the Company and to execute all agreements, deed or documents in connection therewith.
- ii. To appoint the counsels/advocates and to sign and execute all necessary documents, petitions, vakalatnamas or applications in connection with filings to be made with Tribunal, relevant court of law, Arbitrators or other regulatory authorities.
- iii. To commence any action, suit or other legal proceedings in any court of law for the recovery of any debt or sum of money, right, title, interest, property, matter or thing whatsoever now due or payable or to become due or payable or in any belonging to the Company and such action, suit or proceedings or alt other actions, suits or proceedings to prosecute or discontinue or adjust or compromise as the said Attorney shall see cause or be advised.
- iv. To appear, defend and prosecute all actions, suits, proceedings , applications, or appeals that are now pending or may hereafter be brought , instituted or made in the name of the Company in such manner as the said Attorney shall think fit.
- v. To appear, defend and prosecute and to sign and execute all necessary documents , petitions , vakalatnama or applications in connection with filings to be made with the tribunals , and/or other Judicial and/or Quasi-Judicial bodies, relevant courts of law or other regulatory authorities in connection with all kind of tax related matters and to represent the Company before the relevant authorities.
- vi. To prefer any appeal to any proper court against any judgment in any decree or other made in any suit or suits, actions, proceedings , or applications and to prosecute or discontinue, adjust or settle the same as shall appear proper to the said Attorney.

- vii. To negotiate, execute and deliver bonds, indemnity bonds, contracts, guarantees and counter guarantees in the name of and on behalf of the Company.
- viii. To authorize fulfillment of all the procedural formalities necessary or ancillary to the performance and conduct of the functions and activities mentioned herein or necessary for the day to day operations of the Company.
- ix. To negotiate, appear, represent, carry on correspondence with any association, company, firm, corporation, municipality, any department of the Government or any other person or public body and to file all applications, agreements, deeds, documents, including guarantee, security etc, that may be required or deemed proper for or in relation to the business of the Company.
- x. To sign and file various returns, forms and documents with various authorities i.e. income Tax authority, Service Tax authority, Sales Tax authority, Registrar of Companies, Ministry of Corporate Affairs, Ministry of Finance, Reserve Bank of India, Foreign Investment Promotional Board, Department of Industrial Policy and Promotion Board and other government authorities on behalf of the Company.
- xi. To delegate any of the powers, functions and/or authorities so delegated to him to any entity, person or committee of persons as deemed fit by the person for such purposes and with such powers, functions and/or authorities not exceeding those vested in or exercisable by the Person with such restrictions and limitations, as deemed fit by the Person and for such period and on such terms and conditions as deemed fit by the Person, including issuing power of attorney authorizing any other person for the aforesaid purposes.
- xii. Generally to act as the Attorney of the Company in relation to the matters aforesaid and in connection therewith and on behalf of the Company to do execute and perform all instruments, acts, deeds, matters and things as fully and effectually as the Company could itself do.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

137. Meeting of Directors

The Directors may meet together as a Board for the dispatch of business from time to time, and shall so meet at least four (4) meetings shall be held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board.

137A. Participation through Video Conferencing

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, except for such matters as may be prescribed for which meeting through video conferencing or other audio visual means cannot be held.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

138. (a) Convene Board Meeting

Any Director may, and the Secretary shall when directed by any Director to do so, convene a meeting of the Board by giving notice in accordance with Article 137 in writing to all other Directors (including Alternate Directors).

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

139. Notice and Agenda of Board Meeting be given in writing to every Director

Notice of every meeting of the Board together with the Agenda shall be given in writing to every

Director, including Alternate Directors, at their address registered with the Company in or outside India or electronically.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

140. Period of Notice

Notice of each Board meeting shall be provided to each Director not less than seven (7) calendar days prior to such meeting (except that a shorter notice period may be given with the consent of all of the Directors). Any meeting pursuant to shorter notice shall be subject to the condition that atleast one independent director and one director nominated by the Founder shall be present at the meeting and in case of absence of independent directors or director nominated by the Founder from such meeting , the decisions taken at such meeting shall be circulated to all the directors and shall be final only on ratification thereof by atleast one independent director and one director nominated by the Founder, if any.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

141. Matter be decided by a majority of votes of Directors

All questions arising at any meeting of the Board shall be decided by a simple majority of votes cast of Directors present (in person or through his Alternate Director) at the meeting, which must include at least two Directors nominated for appointment on the Board by the Founders. In case of equality of votes cast on any resolution the Chairman shall have a second or casting vote.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

142. Quorum at Board Meeting

Subject to Section 174 of the Act, the quorum for a meeting of the board shall be (a) one third of its total strength or two Directors, whichever is higher and (b) must include the presence in person or through alternate Director of at least two Directors nominated for appointment on the Board by the Founders. Further participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum under this Article.

Provided that where at any time the number of interested Directors exceeds or is equal to two thirds of the total strength of the Board the number of Directors who are not interested , present at the meeting being not less than two, shall be the quorum such time.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

143. Powers of Board

A meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act or the Article of the Company are for the time being vested in or exercisable by the Board generally.

There shall also be a separate meetings for independent directors who shall hold at least one meeting in a year, without the attendance of non - independent directors and members of management to review the performance of non - independent directors and the Board as a whole and to access the quality and timelines of the flow of information between the Company management and the Board.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

144. Key Functions of the Board

- a) The Board shall review the corporate strategies, major plans of action, risk policy , annual budgets and business plans, overseeing major capital expenditures , acquisitions and divestments ;
- b) The Board shall be responsible for selecting, monitoring and when necessary replacing Key Managerial Personnel executives ;
- c) The Board shall have ability to step back to assist executive management by challenging assumptions such as acquisitions, risk appetites, exposures and key areas of the Company's focus;

- d) The Board shall ensure transparent Board nomination process with the diversity of thought experience, knowledge, perspective ;
- e) The Board shall ensure integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place;
- f) The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company.
- g) The Board shall oversee the process of disclosure and communications and shall monitor and review the board of director's evaluation framework.
- h) The Board shall monitor the effectiveness of the Company's governance practices and making changes as needed.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

145. Committees of the Board

Subject to the restrictions contained in Section 179 of the Act, the Board may delegate certain of their powers to Committee(s), of the board consisting of such member or members of the Board as it deems appropriate. The Board may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to certain Person or purposes. All committees of the Board so formed, other than committees mandatorily required to be appointed under the Act and/or Rules, shall at all times be subject to the restrictions set out below :

- a) The majority of the members of every committee of the Board shall consist of directors nominated for appointment on the Board by the Founders.
- b) The presence of at least one director nominated for appointment on the Board by the Founders shall be required to constitute a quorum for any meeting of the committee of the Board.
- c) The voting and approval requirements of any Committee shall include the affirmative vote of at least one Director nominated for appointment on the Board by the Founders.
- d) All acts done by such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the same force and effect as if done by the Board.
- e) Such Committee shall lay down the evaluation criteria for performance evaluation of independent directors.

145A. Audit Committee

a) Subject to Section 177 of the Act, the Board may constitute an Audit Committee:

- (i) the Audit Committee shall consist of a minimum of three directors as its member with two third of the total strength shall be Independent Directors;
- (ii) the Chairman of the Audit Committee shall be an Independent Director;
- (iii) all members shall be financially literate and at least one member shall have accounting and related management expertise;
- (iv) the Chairman of the Audit Committee shall be present at Annual General Meeting to answer shareholder's queries;
- (v) the Chief Financial Officer, head of the internal auditor and a representative of the Statutory Auditor may be present as invitees for the meeting of Audit Committee;
- (vi) the Company Secretary shall act as a secretary to the meeting of Audit Committee.

b) The Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include:-

- (i) the recommendation for appointment , remuneration and terms of appointment

- of the Auditors of the Company ;
- (ii) review and monitor the Auditor 's independence and performance , and effectiveness of audit process ;
- (iii) examination of the financial statement and the Auditor's Report thereon.

145 B. Stakeholders Relationship Committee:-

- (a) **Subject to sub Section 178 (5) of the Act, the Board may constitute Share Transfer and Grievance Committee:-**
 - (i) **Stakeholders Relationship** Committee shall consist of a minimum of three directors as its member with two third of the total strength shall be Independent Directors;
 - (ii) The Chairman of the **Stakeholders Relationship** Committee shall be Independent Director;
 - (iii) The Company Secretary shall act as a Secretary to the meeting of **Stakeholders Relationship** Committee.
- (b) **The Stakeholders Relationship Committee shall :-**
 - (i) Approve/ refuse/ reject registration of transfer / transmission of Shares in a timely manner;
 - (ii) Authorise printing of Share Certificates post authorization from Board ;
 - (iii) Issue the Share Certificates under the seal of the Company, which shall be affixed in the presence of, and signed by;
 - (iv) Authorise to sign and endorse the Share Transfers on behalf of the Company ;
 - (v) Oversee the performance of the Register and Transfer Agents ;
 - (vi) Perform other such functions related to the interest of the security holders / stake holders.
 - (vii) Resolve the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
 - (viii) Review of measures taken for effective exercise of voting rights by shareholders.
 - (ix) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
 - (x) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Amended vide Special Resolution passed at 37th AGM dated 16th August, 2024.

145C. Nomination and Remuneration Committee

- (a) **Subject to Section 178 of the Act, the Board shall constitute a Remuneration Committee :-**
 - (i) comprising of at least three non-executive directors ;
 - (ii) at least two-third of them shall be Independent Directors ;

- (iii) the Chairman of the Committee shall be an Independent Director;
- (iv) the Chairman of the Board may be appointed in the committee but shall not chair the Committee;
- (v) the Chairman of the Committee shall also be present at the Annual General Meeting, to answer the shareholders ' queries. However, it would be up to the Chairman of the Annual General Meeting to decide who should answer the queries.

Amended vide Special Resolution passed at 37th AGM dated 16th August, 2024.

145D. Risk Management Committee

- a) The Board shall lay down procedures to inform Board members about the risk assessment and minimization procedures;
- b) The Board shall be responsible for framing, implementing and monitoring the risk management plan for the Company;
- c) The Company through its Board of Directors shall constitute a Risk Management Committee and the Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit;
- d) The majority of Committee shall consist of members of the Board ;
- e) Senior executives of the Company may be members of the said Committee but the Chairman of the Committee shall be member of the Board.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

146. 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, together with necessary papers, if any, to all the Directors or to all the members of the relevant Committee, within or outside in India at their addresses registered with the company in India by hand delivery or by post or by courier or through such electronic means and has been approved by majority of such Directors or Members of the Committee or majority of the Directors or members of the Committee that are entitled to vote on the resolution , and including at least one Director or Member of the Committee nominated by the Founders.

Provided that where not less than one-third of the total number of directors of the company for the time being require that any resolution under circulation must be decided at a meeting , the chairman shall put the resolution to be decided at a meeting of the Board.

A resolution under clause (a) 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.

If any Director or Committee member's ballot with respect to such circular resolution does not arrive within ten (10) calendar days of the distribution thereof, the Board or Committee Member shall be deemed to have refused to consent to such resolution.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

147. Acts of Boards of Committee valid notwithstanding formal appointment

All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there are some defects in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office of the appointment of any of them had been terminated by virtue of any provisions contained in the Act or these Articles , be as valid, as if , every such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated provided that nothing in the Articles shall be deemed to give

validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have so determined.

148. Minutes of proceedings of Meeting of the Board

- a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in an electronic form in the manner prescribed in the Act and rules made thereof.
- b) Each page of every such book in an electronic form shall be dated and digitally signed by the chairman of the said meeting or the chairman of the next succeeding meeting.
- c) In no case shall the minutes of proceedings of a meeting be attached to any such books as aforesaid by pasting or otherwise.
- d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereof.
- e) The Minutes shall also contain:
 - i) the names of the Directors present at the meeting ;
 - ii) In the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from, or not concurring in the resolution.
- f) Nothing contained in sub-clause (a) to (e) above shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting :
 - i) is, or could reasonably be regarded as defamatory of any person ;
 - ii) is irrelevant or immaterial to the proceedings ; or
 - iii) is detrimental to the interest of the Company.
- g) Minutes of the meetings kept in an electronic form in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein. The Chairman shall exercise an absolute discretion in regard to the inclusion or non- inclusion of any matter in the minutes on the grounds specified in the above sub-clauses.
- h) Minutes of the Board meeting of the subsidiary company shall be placed before the Board for information.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

149. Powers of Directors

The business of the Company shall be managed by the Board which shall have full authority with respect to the management of the Company. The Board may exercise all such powers of the Company and do all such acts and things as are not by the Act or any other Law, required to be exercised by the Company at a General Meeting; provided that the powers specified in Section 179 of the Act shall be exercised only at a meeting of the Board unless the same be delegated to the extent therein stated.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

150. Certain powers of the Directors

Without prejudice to the general powers conferred under Article 149, including powers related to day to day management given to Managing Director or Chief Executive Officer or Whole Time Director and so as not in any way limit or restrict those powers and without prejudice to other powers conferred by these Articles, it is hereby declared that the Board shall have the following powers:

- a) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereat under the provisions of Sections 40 of the Act.
- b) Subject to Section 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or

consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

- c) At their discretion and subject to the provisions of the Act, to pay for any property , rights or privileges acquired by or services rendered to the Company, either wholly or partially , in cash or in shares, bonds, debentures, mortgages , or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any such bonds, debentures, mortgages , or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital if not so charged.
- d) To secure the fulfillment of any contract or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being in such manner as they may think fit.
- e) To accept from any Member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- f) To appoint any person to accept and hold in trust from the Company any property belonging to the Company in which it is interested, or for the any other purposes, and to execute and to do all such deeds and thing, as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.
- g) To, institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demand by or against the Company and to refer any differences to arbitration and perform any awards made thereon.
- h) To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- i) To make and give receipts, releases and other discharge for moneys payable to the Company and for the claims and demands of the Company.
- j) Subject to the provisions of Section 179 and 185 of the Act, to invest and deal with any surplus moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of Company), or without security and in such manner as they may think fit, and from time to time to vary or release such investment. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own names.
- k) To execute in the names and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- l) To determine from time to time who shall be entitled to sign on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases , contracts and documents and to give the necessary authority for such purpose.
- m) To distribute by way of bonus amongst the staff of the Company as a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expense of the Company.
- n) To provide for the welfare of Directors or Ex-Directors or employees or ex-employees of the Company and their wives, widows and families or dependents or connection of such persons , by building or contributing to the building of houses, dwellings, or chawls, or by grants of money, pension, gratuities , allowances, bonus or other payments , or by erecting, and from time to time subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries,

medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious , scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation or public and general utility or otherwise.

- o) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or to an Insurance Fund or as a Reserve Fund or Sinking or any Special Fund to meet contingencies or to repay debentures or debenture-stock or for special dividends, or for Fund of division of a Reserve Fund and with full power to employ the assets constituting all or any of the above funds including the Depreciation Fund , in the business of the Company or in the purchase or repayment of Debentures or Debenture-stock , and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper, not exceeding nine percent per annum.
- p) To, appoint and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents, and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments or remuneration and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company if any in specified locality in India or elsewhere in such manner as they think fit, and the provisions contained in the next four following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- q) To comply with the requirements of any local law which in their opinion for equalising, dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purposes referred to in the proceeding clause), as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion , think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof , may be matters to or upon which the capital moneys of the Company might rightly be applied for or expended; and to divide the Reserve Fund into such special funds as the Board may think fit with full powers to transfer the whole or any portion of a Reserve Fund to another Reserve it shall in the interest of the Company be necessary or expedient to comply with.
- r) At any time and from time to time by Power of Attorney under the Seal of the Company, to any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers , authorities and discretions (not exceeding those vested in or exercisable by the Board under the presents and excluding the power to make calls and excluding also exception in the limits authorised by the Board the Power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board think fit) be made in favour the members or any of the members in favour of any Local Board , established as aforesaid or in favour of any Company, or the shareholders, Directors, Nominees of the managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Power of Attorney may contain such Power for the protection or convenience of person dealing with such Attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.
- s) Subject to Section 188 of the Act, or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into such negotiations and contracts and rescind or vary all such

contracts execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient:

- t) From time to time make, vary and repeal bye laws for the regulation of the business of the Company, its officers and servants.
- u) Generally to delegate any or all the powers authorities and directions vested in the Board to any one or more Directors or any persons, firm, or Company as the Board may deem fit.

Holding of IFC in the equity share capital of the Company: *Deleted vide Special Resolution passed at 22nd EGM dated 04th December, 2021.*

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

151. Contribution of profits to rural development

- (a) Subject to the provisions of the Act, the Company may contribute monies to rural development in general and particularly towards improving the knowledge, skill, efficiency and self-dependence of farmers based on Gandhian principles. In case the aggregate amount of such contribution , along with other contributions to charitable and other funds shall exceed five percent (5%) of the net profits of the Company reflected in the Profit and Loss account adopted by the Board of Directors for the relevant year, prior permission of the Company in general meeting shall be required.

Amended vide resolution passed in 21st AGM held on 30.09.2008

- (b) The Board of Directors shall constitute an informal group of Directors to be headed by the Chairman of the Company. The contribution amounts determined every year after adoption of the Profit and Loss account by the Board of Directors shall be utilized in a manner to be determined by such informal group. Where in any financial year there are no profits the matter shall be brought to the Board of Directors for approval."

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

152. Code of Conduct:

The Board shall lay down and approve code of conduct for all members of the Board and Key Managerial Personnel of the Company. Such Code of Conduct shall be posted on the website of the Company. A declaration to such effect shall be provided for in the Annual Report of the Company;

152A. Whistle Blower Policy

The Company shall establish vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violations of company's code of conduct. All Board members and senior management personnel shall affirm compliance with the code on an annual basis and the annual report of the Company shall contain a declaration to this effect signed by the Chief Executive Officer of the Company.

152B Code of Corporate Governance:

The Board shall implement and adopt a Code of Corporate Governance for the Company which shall be posted on the website of the Company.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

THE SEAL

153. Intentionally left blank.

- (i) The Board shall provide a Common Seal for the safe custody of the Seal.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

154. Documents how executed

All deeds, agreements, instruments , letters, bonds, affidavits , declarations , indemnities , powers of attorney and other documents of any nature whatsoever entered into by the Company shall be

executed in any one of the following ways : (a) pursuant to approval by the Board of the Company by such person(s) who have been named in the resolution of the Board, (b) pursuant to a Power of Attorney or Letter of Authority or similar instrument executed by the Company, which Power of Attorney or Letter of Authority or similar instrument has been approved by the Board of the Company, by such person(s) in whose favour the Power of Attorney or Letter or Authority or other similar instrument is granted, (c) under common seal of the Company affixed by the authority of a resolution of the Board or of a committee of the Board authorize any person , either generally or in respect of any specified matter in the manner set out in Section 22 of the Act, (d) by the Managing Director or the Joint Managing Director or the Company Secretary of the Company, acting singly. All deeds, agreements, instruments , letters, bonds, affidavits , declarations , indemnities, powers of attorney and other documents of any nature whatsoever executed on behalf of the Company in any of the ways set out above in this Article shall be binding on the Company.

Amended as per resolution passed in the 23rd AGM held on 29.09.2010

DIVIDENDS

155. Intentionally Left Blank

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

156. Dividend to be paid prorata from allotment

All dividends shall be apportioned and paid in proportion to the amounts paid-up 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 from such date.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

157. Declaration of dividend at General Meeting

The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividends shall exceed the amount recommended by the Board.

158. Dividend only to be paid out of profits

No dividend shall be declared or paid otherwise than out of profits of the Company for the financial year during which such dividend is proposed to be paid arrived at after providing for depreciation in accordance with the provisions of Schedule II of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that:

- a) the Company shall before declaring or paying a dividend for any financial year, transfer such percentage of profits for that financial year as it may consider appropriate to the reserves of the Company, 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 equalizing 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.;
- b) Owing to inadequacy or absence of profits in any financial year, the Company may propose to declare dividend out of the accumulated profits earned by it in previous years and transferred by the company to the reserves, however, such declaration of dividends shall be made in accordance with the rules prescribed in this behalf
- c) No dividend shall be declared or paid by the company from its reserves other than free reserves.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

159. Interim dividend

Subject to provisions of Section 123, the Board may from time to time pay to the equity, preference or any other class of shareholders such interim dividend as appears to it to be justified by the profits of the Company.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

160. Advance of calls not confer a right to dividend

Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or right to participate in profits.

161. Retention of dividend until completion of transfer under Article 62/65

The Board may retain the dividends payable upon shares in respect of which any person is under Article 62 or 65 entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares or shall duly transfer the same.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

162. Dividend etc. to joint holders

Any one of the several persons who are registered as the joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonuses or other moneys payable in respect of such shares.

163. No member to receive dividend whilst indebted to the company and company right of reimbursement there from

No member shall entitled to receive payment of any interest or dividend in respect of his shares, whilst any money may be due or owing by him to the Company in respect of such share or shares, or otherwise however either alone or jointly with any other person or persons and the board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company.

164. Transfer of shares must be registered

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

Wherein an instrument of transfer of shares of the Company has been delivered to the Company for the registration and the transfer of such shares has not been registered by the Company, it shall comply with the provisions of Section 126 of the Act in respect of the dividend , right, shares and bonus shares in relation to such shares.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

165. Dividend how remitted

Unless otherwise directed by any shareholder dividend may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in case of joint holders to the registered address of that one of the joint holders who is first named in the Register of Members or to such other person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

The Company shall not be liable or responsible for any cheque or warrant in transmission or for any dividend lost by the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature on any pay-slip or receipt or the fraudulent recovery of the dividend by any other means.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

166. No interest on unpaid dividend

No unpaid dividend shall bear interest as against Company subject to provision of the Act. No unclaimed or unpaid dividend shall be forfeited by the Board and the Company shall comply with all the provisions of Section 124 of the Act in respect of unclaimed dividend.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

167. Dividend may be set off against calls

The Board may deduct from any dividend payable to any member all sums of money, if any,

presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

168. Capitalisation

- (a) **The company in general meeting may, upon the recommendation of the Board, resolve –**
- (i) 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
 - (ii) that such sum be accordingly set free for distribution in the manner specified in clause (b) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (b) **The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-**
- (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - (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 proportions aforesaid;
 - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii);
 - (iv) 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 members of the company as fully paid bonus shares;
 - (v) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- (c) **Whenever such a resolution as aforesaid shall have been passed, the Board shall-**
- (i) 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
 - (ii) generally do all acts and things required to give effect thereto.
- (d) **The Board shall have power -**
- (i) 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
 - (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 to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (e) **Any agreement made under such authority shall be effective and binding on such members.**

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

ACCOUNTS

169. Director(s) to keep true 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 of the Act with respect to:

- i) all sums of money received and expended by the Company and the matters in respect which the receipts and expenditure take place.
 - ii) all sales and purchase of goods by the Company.
 - iii) the assets and liabilities of the Company.
- b) If the Board decides to keep all or any of the books of account at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of such other place.
- c) The Company may keep such books of account or other relevant papers in electronic mode in the manner as may be prescribed.
- d) The Company shall preserve in good order the Books of accounts relating to a period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such books of accounts.
- e) Where the Company has a branch office whether in or outside India the Company shall be deemed to have complied with this Article if proper books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns periodically are sent by the branch office to the Company at its office or other place in India at which the Company's books of account are kept as aforesaid.
- f) The books of account shall give a true and fair view of the state of the affairs of the Company or branch office as the case may be and explain its transactions. The books of account and other books and papers shall be open to inspection by any Director during business hours.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

170. Inspection of Books of Accounts by members

No Members (not being a director) shall have any right of inspecting any account or book or document of the Company except as conferred by law, or as authorised by the Board or company in general meeting.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

171. Annual Accounts to be furnished to General Meeting

- a) The Directors shall from time to time in accordance with Sections 129, 134, 137 and Schedule III of the Act cause to be prepared and to be laid before the Company in general meeting such balance sheets, profit and loss accounts and reports as is required by these Sections.
- b) The report shall also include the following disclosures :-
 - (i) Related Party Transactions
 - (ii) Disclosure of Accounting Treatment
 - (iii) Remuneration of Directors
 - (iv) Management Discussion and Analysis Report
 - (v) Basic information of the Company and its Directors to Shareholders
 - (vi) Proceeds from public issues, right issues, preferential issues etc.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

172. Copies of Annual Accounts shall be sent to each Member

A copy of every such profit and loss account and balance sheet (including the Statutory Auditor's report and every other document required by law to be annexed or attached to the balance sheet) shall be sent at least twenty one days before the meeting in which the same are to be laid to the members, of the Company to every trustee for the holders of debentures issued by the Company (not being debentures which ex facie are payable to the bearer thereof) to trustees for the holders of such debentures and to all persons entitled to receive notice of general meetings of the Company, unless the shareholders ask for full financial statements.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

AUDIT

173. Accounts to be audited

Statutory Auditors shall be appointed and their rights and duties regulated in accordance with Section 139 to 147 of the Act.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

DOCUMENTS AND NOTICES

174. Service of documents or notices on Members by Company

- a) A document or notice may be served or given by the Company to any member either personally or by sending it by post to him or his registered address.
- b) Where a document or notice is sent by post service of the document or notice shall be deemed to be affected by properly addressing, preparing and posting a letter containing the document or notice, provided that where a member 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 and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the Document or notice shall not be deemed to be affected unless it is sent in the manner intimated by the Member and, such service shall be deemed to have been effected in the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case, at the time at which the letter would be delivered the ordinary course of post.

175. By advertisement

A document or notice advertised in a newspaper circulating in the neighborhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every Member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.

176. On joint holders

A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the document or notice on or to the joint-holder named first in the Register of Members in respect of the share.

177. On personal representative etc.

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

178. To whom document notice must be served or given

Documents or notices of every General Meeting shall be served or given in same manner hereinbefore authorised on or to (a) every member, (b) every representative etc of every person entitled to a share in consequence of the death or insolvency of a Member and (c) the Statutory Auditor for the time being of the Company.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

179. Members bound by documents or notice served on previous holders

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

180. Signature of notice

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

181. Service of documents or notice by members

All documents or notices to be served or given by Member on or to the Company or any Officer thereof shall be served or given by sending it to the Company or the Officer at the office by post under a certificate of posting or by registered post, or by leaving it at the office.

WINDING UP

182. Liquidator may divide assets in specific

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 members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

INDEMNITY AND RESPONSIBILITY

183. Director and other right 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 and every one of them and/or their heirs, successors, executors and administrators shall be indemnified and secured harmless out of the assets of the Company, to pay all costs, losses and expenses (including traveling expenses) which any such Director, Manager, Secretary, Officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Directors, Managers, Secretary, Officer or Employee or in any way in the discharge of his duties.
- (b) **Directors & Officer Liability Indemnity Policy.** The Company shall, procure suitable Director and Officers Liability insurance in favour of the Directors from a reputable insurance company in respect of claims or liabilities resulting from the actions or omissions of the Directors as Directors of Company. The maximum amount of premium payable by the Company towards such D&O Insurance of each Director shall be decided and approved by the Board.
- (c) Subject as aforesaid, every Director, Manager, Secretary or another officer or employee of the Company shall be indemnified against any liability incurred by them or him defending any proceedings whether civil or criminal in which judgment is given in their or his favour in which he is acquitted or discharged or in connection with any application in which relief is given to him by the Court.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

184. Not responsible for acts of others

Subject to the provisions of Section 197 of the Act no Director or other officer of the Company shall be liable to the Company for any acts, receipts, neglects or defaults of any other Director or for any losses or expenses, happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Director for and on behalf of the Company or for the insufficiency

or deficiency or any security in or upon which any of the moneys of the Company shall be invested or for any loss, or damage arising from the bankruptcy, insolvency or tortious act of any person, Company or corporation with whom any money's securities or effects shall be entrusted or deposited or for any loss occasioned by any error of judgment or oversight on his part or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of the office or in relation thereto unless the same happen through his own dishonesty, fraud, willful misconduct or gross negligence.

Amended vide Special Resolution passed at 29th AGM dated 30th September, 2016.

SECRECY

185. Secrecy clauses

a) Every Director, Manager, Auditor(s), Treasurer, Trustee, Member, or a committee, officer, 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, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of accounts with individuals 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 discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

No member (other than the party Shareholders) shall be entitled to visit or inspect any works of the Company without permission of the Directors or to require discovery of 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, secret process or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be expedient in the interest of the Company to disclose.

Miscellaneous

186. Invalid Articles, if any, will not affect the validity or enforceability

If any provision or undertaking of these Articles or any part hereof is or becomes illegal, invalid, prohibited or unenforceable in any respect in any jurisdiction, such provision or undertaking or part thereof shall be ineffective as to such jurisdiction, without invalidating the remaining provisions of these Articles or affecting the validity or enforceability of these Articles (as long as such remaining provisions do not fundamentally alter the relations among the parties) or affecting the validity or enforceability of such provision or undertaking or part thereof in any other jurisdiction. Notwithstanding the foregoing, if such provision or undertaking or part thereof could be more narrowly drawn so as not to be illegal, invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of these Articles or affecting the validity or enforceability of such provision or undertaking or part thereof in any other jurisdiction.

We, the several persons, whose names and address are subscribed below are desirous of being formed into a Company in pursuance of this Articles of Association.

	Names , address & description of the subscriber	Signature of the subscriber	Witness
1.	Bhavarlal Hiralal Jain S/o. Hiralal Jain, Rathod Bunglow, Near Gima Tank, Jalgaon 425 001. INDUSTRIALIST	Sd/-	
2.	Rajnikant Birdichand Jain S/o. Birdichand Jain 279/1 LIC Colony, Jalgaon 425 001. ENGINEER	Sd/-	Sd/-
3.	Girdharilal Rawatmal Oswal S/o. Rawatmal Oswal 15, Sagar Society, Jilha Peth, Jalgaon. INDUSTRIALIST	Sd/-	Suresh Madhava Hedge S/o. Madhava G. Hegde 168, Atlanta, Nariman Point
4.	Anil Bhavarlal Jain S/o. Bhavarlal Jain Rathod Bunglow, Near Gima Tank, Jalgaon 425 001. BUSINESS	Sd/-	Bombay - 20. Business
5.	Arun Shrikrishna Ajgaonkar S/o. Shrikrishna Ajgaonkar "Uttung", Old Jalgaon Dhulia Road Nimkhedi Road, Jalgaon BUSINESS	Sd/-	
6.	Shravan Vithal Patil S/o. Vithal Patil 50, Onkar Nagar Jilha Peth, Jalgaon 425 001. BUSINESS	Sd/-	
7.	Ashok Bhavarlal Jain S/o. Bhavarlal Jain Rathod Bunglow, Near Gima Tank, Jalgaon 425 001. BUSINESS	Sd/-	

Dated: This 12th day of December 1986

Certified Copy Rs. 6.50
 Additional Rs. 2.00
 Total Rs. 8.50

- 1 -

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

O.O.C.J.

Company Petition No.917 of 1997

connected with

Company Application No. 314 of 1997



In the matter of the scheme of
 amalgamation of
 Jain Plastics & Chemicals Limited
 Jain Rahan Boitech Limited and
 Jain Kemira Fertilisers Limited with
 Jain Irrigation Systems Limited. ..Company

Jain Irrigation Systems Limited. Petitioner

Mr. Shekhar S. Shetty i/by M/s. Gajaria & Co. for
 Petitioner.

Mr. H.K. Vardhan, panel counsel for Regional Director,
 Dept. of Company Affairs, Maharashtra, Mumbai.

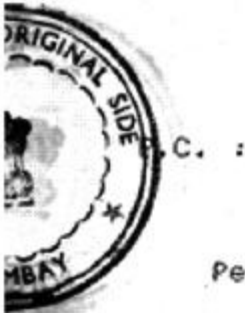
Mr. A.B.D. Lima i/by M/s. D. Lima & Associates for
 Ceat Financial Services Ltd. Intervenor.

Mr. A.B.D. Lima with Mr. P. Garch for Binani Metals
 Ltd. Intervenor.

19/10/2000
 Applied on 19/10/2000
 Registered on 20/11/2000
 Filed by 30/11/2000
 Filed with 20/11/2000
 Filed on 20/11/2000
 Filed at 20/11/2000

CORAM : Y.S. JAHAGIRDAR, J.

30TH MARCH 1998



Perused the report of the Official Liquidator.

The Regional Director has no objection for granting the scheme as prayed for.

Two unsecured creditors have filed Company Petition No.915 of 1997 to oppose the amalgamation on the ground that their claims are outstanding and unless the claims are cleared and paid the amalgamation should not be permitted. Mr.Shetty appearing for the petitioner undertakes that the claims of the applicant in Company Petition No.915 of 1997 viz. Kemira Agro O.Y. and Arnika International shall be satisfied on or before 15th April 1998. Learned counsel for the applicant seeks permission to withdraw the opposition in view of the undertaking given by the petitioner. The undertaking is accepted. In view of the undertaking, Company Petition No.915 is allowed to be withdrawn.

Binani Metals Limited have also filed a Caveat being Caveat No.49 of 1997 seeking permission to intervene in the proceedings to oppose the scheme of

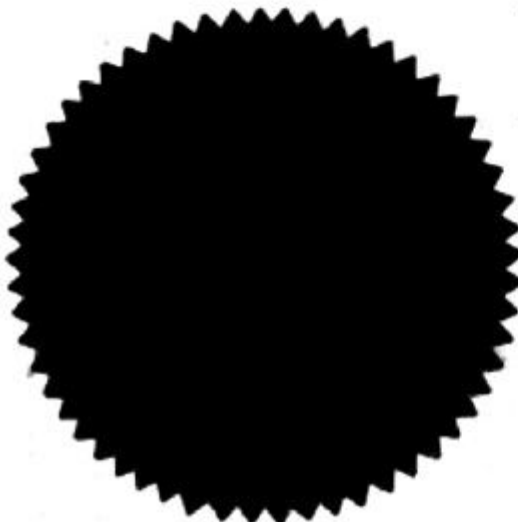
amalgamation.

At the time of hearing of the petition, Mr. Shetty has given undertaking that the claims of the Caveator - Binani Metals Limited shall be satisfied on or before November 1998 and undertakes to apply for appropriate orders in these terms in the Company Petition pending between the parties.

In view of the undertaking, Mr. D'lima appearing for Binani Metals Limited, seeks permission to withdraw the opposition sought to be raised by the caveator. Permission granted.

No other party has appeared to oppose the scheme of amalgamation. On perusal of the report, as indicated above, I am satisfied that the affairs of the company are not conducted in the manner prejudicial to the interest of members of public. No material facts are suppressed. Advocate for the Regional Director also has no objection for granting amalgamation. Hence, the petition is granted in terms of prayers (a) to (d).

Costs of Rs.500/- to the Regional Director.



MPB
RECORDED TO BE A TRUE COPY
This 13 day of Feb 1999
By *[Signature]*
for Registrar and Senior Master
CHARTERED ACCOUNTANTS

SCHEDULE

**SCHEME OF ARRANGEMENT
BETWEEN
JAIN PLASTICS & CHEMICALS LIMITED, AND ITS MEMBERS
JAIN KEMIRA FERTILIZERS LIMITED AND ITS MEMBERS
JAIN RAHAN BIOTECH LIMITED AND ITS MEMBERS
AND
JAIN IRRIGATION SYSTEMS LIMITED, AND ITS MEMBERS
FOR AMALGAMATION OF
JAIN PLASTICS & CHEMICALS LIMITED
JAIN KEMIRA FERTILIZERS LIMITED
JAIN RAHAN BIOTECH LIMITED
WITH
JAIN IRRIGATION SYSTEMS LIMITED**

1. DEFINITIONS

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

- 1.1 “The Transferor companies” means and includes the following companies or any one or more of them, as the case may be

Sr. No.	Name of the Company	Date of incorporation	Registered Office under Companies Act, 1956
1.	Jain Plastics & Chemicals Limited, (JPCL)	17.2.82	Jain Pipe Nagar, P.O. Box 20, Jalgaon- 425 001.
2.	Jain Kemira Fertilizers Limited, (JKFL)	24.4.94	Jain Hills Road, Mohadi, P.O. Box 72, Jalgaon - 425 001.
3.	Jain Rahan Biotech Limited (JRBL)	9.9.93	N.H. No. 6, Jain Fields, P.O. Box 72, Jalgaon - 425 001.

- 1.2 “The Transferee Company” means Jain Irrigation Systems Limited (JISL), a Company incorporated under the Indian Companies Act, 1956, having its Registered Office at Jain Fields, P.B.No. 72, Bambhori, Jalgaon - 425 001.

- 1.3 “The said Act” means the Companies Act, 1956.

- 1.4 “The Appointed Date” means 1.4.96, or such date as the High Court at Mumbai may direct.

- 1.5 “The Effective Date” means the later of the dates on which certified copies of the Order(s) of the High Court at Mumbai vesting the assets, property, liabilities, rights, duties, obligations and the like of the Transferor Companies in the Transferee Company are filed with the Registrar of Companies, Maharashtra as prescribed under the Companies Act, 1956.

- 1.6 “Undertaking” shall means:

- 1.6.1 All the assets and property of the Transferor Companies as on the Appointed Date.
- 1.6.2 All the debts, liabilities, duties and obligations of the Transferor Companies as on the Appointed Date (hereinafter referred to as “The said Liabilities”).
- 1.6.3 Without prejudice to the generality of sub-clause 1.6.1 above, the undertaking of the Transferor Companies shall include all the Transferor Companies’ reserves, movable and immovable properties, assets including lease-hold rights, tenancy rights, industrial and other licenses, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interest, rights

and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits, sanctions, approvals and permissions whether granted / expressed or implied, direct or indirect, tangible or intangible.

1.6.4 All the capital incentives / investment subsidy scheme of Maharashtra Government administrated through SICOM or any other institution / office, and deferment / exemption of central or state sales tax, excise, customs, income tax or any other facilities, subsidies, benefits, allowances granted or to be granted by Central or State Governments to Transferor Companies shall be available to Transferee Company.

1.7 “The Scheme” means this Scheme of Amalgamation in its present form or with any modification(s) approved or imposed or directed by the High Court at Mumbai.

2. SHARE CAPITAL

2.1 The Authorized, Issued, Subscribed and Paid up Share Capital of the Transferor Companies are as follows:

Comany	Authorised Capital	Amount(Rs.)	Issued, Subscribed Share Capital	Amount (Rs.)
JPCL	95,00,000 Equity shares of Rs. 10 each	9,50,00,000	74,09,900 Equity shares of Rs. 10 each	7,40,99,000
	3,00,000; 7% Cum. Convertible Preference Shares	3,00,00,000	2,66,710; 7% Cum. Convertible Preference Shares	2,66,71,000
	5,00,000 Unclassified Shares	50,00,000	—	—
JKFL	25,00,000 Equity Shares of Rs. 10 each	2,50,00,000	22,00,700 Equity Shares of Rs. 10 each	2,20,07,000
JRBL	1,00,000 Equity Shares of Rs. 10 each	10,00,000	800 Equity Shares of Rs. 10 each	8,000

2.2 The Authorized Share Capital of the Transferee Company is Rs. 50,00,00,000 comprising as below. The issued, Subscribed and Paid up Share Capital is Rs. 27,60,82,080/- comprising as below:

Authorized Share Capital

2,00,00,000 Equity Shares of Rs. 10 each
 25,00,000 Preference Shares of Rs. 100 each
 50,00,000 Unclassified Shares of Rs. 10 each

Issued, Subscribed and Paid up

1,09,94,708 Equity Shares of Rs. 10 each
 19,63,500 Equity Shares of Rs. 10 each representing 1963500 EDR's
 2,00,000 14.5% Preference Shares of Rs. 100 each (Redeemable at par on 30.4.97)
 2,00,000 17% Preference Shares of Rs. 100 each (Redeemable at par on 31.3.97)
 5,00,000 18.5% Preference Shares of Rs. 100 each (Redeemable at par on 1.7.97)
 40,000 20% Preference Shares of Rs. 100 each (Redeemable at par on 31.3.97)
 1,00,000 21% Preference Shares of Rs. 100 each (Redeemable at par on 28.6.97)
 1,00,000 21% Preference Shares of Rs. 100 each (Redeemable at par on 21.7.97)
 2,75,000 20% Preference Shares of Rs. 100 each (Redeemable at par on 1.2.98)
 50,000 21% Preference Shares of Rs. 100 each (Redeemable at par on 8.3.98)

Note: The Transferee Company has issued 17,38,600 Warrants attached with 17,386 NCD's of Rs. 100 each on 24.02.1994, which entitle the holder thereof to apply and obtain allotment of one Equity Share of Rs. 10 each for cash at premium of Rs. 200 each on or before 23.02.1999 failing which the Warrants shall lapse and NCD's shall be redeemed.

3. TRANSFER OF UNDERTAKING

The whole of the undertaking and properties, whether moveable or immovable, real or personal, corporeal or incorporeal, present or contingent, including but without being limited to all assets, fixed assets, work in progress, current assets, investments, reserves, provisions, funds, quota rights, import quotas, licenses, registrations, patents, trade names, trademarks and other industrial rights and licenses in respect thereof leases, tenancy rights, flats, telephones, telexes, facsimile connections, installations and utilities, benefits of agreements and arrangements, powers, authorities, permits, allotments, approvals, permissions, sanctions, consents, privileges, liberties, easements and all the right, title interest, benefit and advantage of whatsoever nature and wheresoever situate belonging to or in the possession of or granted in favour of or enjoyed by the Transferor Companies as on Effective Date shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company in the following manner :

- 3.1 With effect from the Appointed Date the Whole of the undertaking and properties, as aforesaid, of the Transferor Companies, except for the portions specified in sub-clauses (3.2) and (3.4) below, of whatsoever nature and wheresoever situated and incapable of passing by manual delivery and or endorsement, shall, under the provisions of Section 391 and 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Transferee Company so as to vest in the Transferee Company all the right, title and interest of the Transferor Companies therein;
- 3.2 All the moveable assets including cash in hand, if any, of the Transferor Companies, capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company to the end and intent that the property therein passes to the Transferee Company, on such delivery or endorsement and delivery. Such delivery and transfer shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Companies and the Board of Directors of the Transferee Company within thirty days from the date of the last of the Orders of the High Court at Mumbai sanctioning the Scheme of Amalgamation specified herein under Sections 391 and 394 of the Act;
- 3.3 In respect of others such as capital incentives / investment subsidy schemes of Government of Maharashtra administered through SICOM, or any other authority / any deferment / exemption of Central / State Sales Tax, Excise, Customs, Income Tax or any other facilities, benefits, allowances, claims, granted or to be granted by Central / State / Local Government authorities to Transferor Companies.
- 3.4 In respect of moveable other than those specified in sub-clause (3.2) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, Semi-Government, Local and other authorities and bodies, the following modus operandi shall to the extent possible be followed:
 - 3.4.1 The Transferee Company shall give notice in such form as it may deem fit and proper, to each person, debtor or deposittee as the case may be, that pursuant to the High court at Mumbai having sanctioned the amalgamation between the Transferor Companies, the Transferee Company and their respective members under Sections 391 and 394 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Companies to recover or realize the same stands transferred to the Transferee Company and that appropriate entry should be passed in its books to record the aforesaid change;
 - 3.4.2 The Transferor Companies shall also give notice in such form as it may deem fit and proper to each person, debtor or deposittee that pursuant to the High Court at Mumbai having sanctioned the amalgamation between the Transferor Companies, the Transferee Company, and their respective members under Sections 391 and 394 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the Transferor Companies to recover or realize the same stands extinguished;
 - 3.4.3 With effect 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 of the Transferor Companies will be merged with those of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Companies.

In other words, the identity of the reserves of the Transferor Companies will be preserved in the hands of the Transferee Company;

- 3.4.4 The difference between the amount recorded as fresh share capital issued by the Transferee Company on amalgamation and the amount of share capital of the Transferor Companies will be reflected in the Revenue Reserve(s) of the Transferee Company.
- 3.4.5 In case of any differences in accounting policy between the Companies, the impact of the same till the amalgamation will be quantified and adjusted in the Revenue Reserves of the Transferee Company to ensure that financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 3.5 The transfer and vesting as aforesaid, shall be subject to the existing charges and mortgages, if any, over or in respect of the property and assets or any part thereof of the Transferor Companies. Provided however, any reference in any security documents or arrangements (to which the Transferor Companies is a party.) to the assets of the Transferor Companies offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the undertaking of the Transferor Companies as are vested in the Transferee Company by virtue of the aforesaid clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend to any of the other assets of the Transferor Companies or any of the assets of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferor Companies and the Transferee Company.

4. TRANSFER OF LIABILITIES

With effect from the Appointed Date, all debts, liabilities, duties, export obligations and obligations of every kind, nature and description of the Transferor Companies shall also, under the provisions of Sections 391 and 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, duties and obligations of the Transferee Company. To the extent that there are intercorporate loans or balances between the Transferor Companies and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities, as the case may be. For removal of doubts it is hereby clarified that there would be no accrual or interest or other charges in respect of any such inter-company loans or balance between the Transferee Company or the Transferor Companies.

5. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to other provisions contained in the Scheme, all contracts, deeds, bonds, debentures, agreements and other instruments of whatever nature to which the Transferor Companies are a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of the Transferor Companies, the Transferee Company had been a party thereto.

6. LEGAL PROCEEDINGS

If any suit, appeal or other proceedings of whatever nature (hereinafter called “the Proceedings”) by or against the Transferor Companies be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Companies or of anything contained in the Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made. On and from the Effective Date the Transferee Company shall and may initiate any legal proceedings for and on behalf of the Transferor Companies.

7. OPERATIVE DATE OF THE SCHEME

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

8. TRANSFEROR COMPANIES STAFF, WORKMEN AND EMPLOYEES

All the staff, workmen and other employees in the service of the Transferor Companies immediately before the transfer of the Undertaking under the Scheme shall become the staff, workmen and employees of the Transferee Company on the basis that-

- 8.1 Their services shall have been continuous and shall not have been interrupted by reason of the transfer of the Undertaking;
- 8.2 The terms and conditions of service applicable to the said staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately before the transfer; and
- 8.3 It is expressly provided that as far as Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Companies are concerned, upon the Scheme becoming effective, the transferee Company shall stand substituted for the Transferor Companies for all purposes whatsoever related to the administration or operation of such funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Funds as per the items provided in the respective Trust Deeds. It is the aim and intent that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the employees of the Transferor Companies will also be treated as having been continuous for the purpose of the aforesaid Funds or provisions.

9. BUSINESS AND PROPERTY IN TRUST FOR TRANSFEE COMPANY

As and from the Appointed Date and till the Effective Date :

- 9.1 The Transferor Companies shall carry on and be deemed to have carried on its business and activities and shall stand possessed of all its properties referred to in Clause 3 above, in trust for the Transferee Company and shall account for the same to the Transferee Company;
- 9.2 Any income or profit accruing or arising to the Transferor Companies and all costs, charges, expenses and losses incurred by the Transferor Companies shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of the Transferee Company and the profits shall be available to the Transferee Company for being disposed off in any manner as it thinks fit, including declaration of dividend.

10. CONDUCT OF BUSINESS

As and from the date of acceptance of this Scheme by the Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company and till the Effective Date;

- 10.1 The Transferor Companies shall not do anything other than what it has been doing hitherto, except with the concurrence of the Transferee Company;
- 10.2 The Transferor Companies shall not, without the written concurrence of the Transferee Company, alienate, charge or encumber any of its properties referred to in Clause 3 above, except in the ordinary course of business;
- 10.3 The Transferor Companies shall not vary or alter, except in the ordinary course of business, the terms and conditions of employment of any of its employees; neither the Transferor Companies nor the Transferee company shall alter its capital structure other than alterations pursuant to commitments, obligations or arrangements subsisting prior to the Appointed Date, either by fresh issue of shares or convertible securities (on a rights basis or by way of bonus shares or otherwise) or by any decrease, reduction, reclassification, sub-division, consolidation, reorganization or in any other manner which may in any way affect the share exchange ratio prescribed hereunder, except by the consent of the Board of Directors of both the Companies.

The Transferee Company is hereby permitted to increase its Authorized Capital if so required to give effect to provisions of this Scheme or pursuant to any existing obligation of the Transferee Company without the consent of the Board of Directors of the Transferor Companies.

- 10.4 With effect from the Effective Date, the Transferee Company shall commence and carry on and shall be authorised to carry on the business carried on by the Transferor Companies.

11. ISSUE OF SHARES BY THE TRANSFEE COMPANY

- 11.1 Upon the Scheme becoming operative, in consideration of the transfer and vesting of the Undertaking of the Transferor Companies in the Transferee Company in terms of this scheme,

the Transferee Company shall without any further application or deed, issue and allot to every member of the Transferor Companies (Other than Transferee Company) holding fully paid up Equity Shares in the Transferor Companies whose names appear in the Register of Members of the Transferor Companies on such date (hereinafter called the “Record Date”) as the Board of Directors of the Transferee Company will determine, his / her heirs, executors, administrators or the successors in title as the case may be:

- a) 5 Equity Shares of Rs. 10/- each fully paid up of Transferee Company for every 7 Equity Shares of Rs. 10 each fully paid of JPCL being one of the Transferor Companies.
- b) 1 Equity Share of Rs. 10/- each fully paid up of Transferee Company for every 25 Equity Shares of Rs. 10 each fully paid of JKFL being one of the Transferor Companies.
- c) 1 Equity Share of Rs. 10/- each fully paid up of Transferee Company for every 12 Equity Shares of Rs. 10 each fully paid of JRBL being one of the Transferor Companies.
- d) 100 Equity shares of the Transferee Company for every fourteen 7% Cumulative Convertible Preference shares of Rs. 100 each fully paid up of one of the Transferor companies JPCL subject to approval if any of SEBI or any other authority as the case may be.
- e) 5 Equity shares of Rs. 10 each fully paid up of the Transferee Company shall be issued for every Converted Equity share arising out of conversion of 1500, 6% Convertible Bonds of USD 1000 each (“the said bonds”) issued by JPCL in terms of Shareholders Resolution passed at the EGM held on March 17th, 1997, in the same proportion as in 11.1(a) as if the said Bonds were converted into the Equity Shares of JPCL on April 1st, 1996 i.e. the appointed date.

11.2.1 (a) The Transferee Company holds 11,00,000 Equity Shares of Rs. 10 each in the Capital of JKFL one of the Transferor Companies,

11.2.1 (b) JPCL one of the Transferor Companies holds 5,13,908 Equity Shares of Rs. 10 each in the capital of Transferee Company on the Appointed Date i.e. 01.04.1996,

(all such shares are referred to as “the aforesaid shares”)

11.2.2 All the aforesaid shares mentioned in sub-clause 11.2.1 shall be transferred and shall stand transferred to two or more individuals (“the said persons”) as the transferee Company may appoint and on such date as the Board of Directors of the Transferee Company may decide and the said person shall hold the aforesaid shares for the benefit of the Transferee Company. The Transferee Company shall issue shares of the Transferee Company to said persons in the manner and in proportion provided in sub clause 11.1. The said persons shall within two years from the effective date dispose of such shares of Transferee Company on such terms and conditions as the aforesaid persons shall decide and the net sale proceeds thereof shall be paid to the Transferee Company.

11.3 The new Equity Shares to be issued and allotted pursuant to sub clause 11.1 hereof shall in all respect, rank pari passu with the existing equity shares of the Transferee Company including entitlement to dividend on such new equity shares from the appointed date thereof in respect of dividend declared after the effective date.

11.4 The new equity shares to be issued and allotted in terms hereof will be subject to Memorandum and Articles of Association of the Transferee Company.

11.5 No fractional coupons shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Companies may be entitled on issue and allotment of the Equity Shares of the Transferee Companies as aforesaid. The Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the members of the Transferor Companies may be entitled on issue and allotment of the Equity Shares and shall issue such consolidated shares and or fractional coupons to a Director or an Officer of the Transferee Company on the Express understanding that such Director or Officer to whom such Equity Shares be allotted shall sell the same in the market at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the

Transferee Company shall distribute such net sale proceeds to the members of the Transferor Companies in proportion to their fractional entitlements.

- 11.6 Upon the Scheme becoming operative, all the shareholders of the Transferor Companies, if so required by the Transferee Company by notice in this behalf, shall surrender their Certificates representing equity shares / preference shares of the Transferor Companies, according to their respective entitlements, to the Transferee Company for cancellation thereof. Notwithstanding the foregoing, upon the new Equity Shares being issued and allotted as aforesaid, the Share Certificates in respect of the equity shares held in the Transferor Companies shall be deemed to have been automatically cancelled and of no effect and the Transferee Company instead of requiring surrender of such Certificates may directly issue and dispatch new Certificates in respect of the new Equity Shares issued and allotted by the Transferee Company.
- 11.7 For the purpose of aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the requisite consent or approval of the Reserve Bank of India and other appropriate authorities concerned for the issue and allotment by the Transferee Company to the respective members of the Transferor Companies, of the Equity Shares in the said reorganized Share Capital of the Transferee Company in the ratio aforesaid.
- 11.8 The Transferee Company shall before allotment of the Equity Shares in terms of the Scheme, increase its Authorized Share Capital by the creation of at least such number of Equity Shares of Rs. 10/- each as may be necessary to satisfy its obligations under the provisions of the Scheme.

12. DIVIDENDS, PROFITS, BONUS / RIGHTS SHARES

- 12.1 The Transferor Companies shall not declare any dividend for the period commencing from and after 1st April, 1996 without the written consent of the Transferee Company.
- 12.2 Subject to the provisions of the Scheme, the profits of the Transferor Companies for the period beginning from 1st April, 1996 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit including declaration of dividend by the Transferee Company in respect of its financial year ending 30th June, 1997 or any year thereafter.
- 12.3 The Transferor Companies shall not issue or allot any Right Shares or Bonus Shares out of its Authorized or unissued Share Capital for the time being without the consent of the Transferee Company.

13. APPLICATIONS TO HIGH COURT

- 13.1 The Transferor Companies and the Transferee Company shall, with all reasonable dispatch, make applications to the High Court at Mumbai under Section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and / or creditors of each of the Transferor Companies and the Transferee Company as may be directed by the Hon'ble High Court at Mumbai.
- 13.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and / or creditors of the Transferor Companies and the Transferee Company as directed by the Hon'ble High Court at Mumbai, the Transferor Companies and the Transferee Company shall, with all reasonable dispatch apply to the High Court at Mumbai for sanctioning the Scheme of Amalgamation under Section 391 and 394 of the Act, and for such other order or orders, as the Hon'ble Court may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding up.

14. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 14.1 The Transferor Companies (by its Directors) and the Transferee Company (by its Directors) may assent to any modification or amendment to the Scheme or agree to any terms and / or conditions which the Courts and / or any other authorities under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and / or carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable for setting any question or doubt or

difficulty that may arise for implementing and / or carving out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting the Scheme into effect.

- 14.2 For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of the Transferee Company are authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

15. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional on and subject to :

- 15.1 The sanction or approval of the appropriate authorities concerned being obtained and granted in respect of any of the matters in respect of which such sanction or approval is required.
- 15.2 The approval to the Scheme by the requisite majorities of the members of the Transferor Companies and of the members, and of such of the creditors secured or unsecured of the Transferee Company and or the Transferor Companies as the Court may direct.
- 15.3 The requisite resolution(s) under the applicable provisions of the said Act being passed by the members of the Transferee Company for any of the matters provided for or relating to the Scheme as may be necessary or desirable.
- 15.4 The sanction of the High Court of Judicature at Mumbai under Section 391 and 394 of the said Act, and the necessary Order or Orders under section 394 of the said Act, being obtained.
- 15.5 The requisite approval of the Reserve Bank of India being obtained under the provisions of Foreign Exchange Regulation Act, 1973, for the issue of shares in the Transferee Company to the non-resident shareholders of the Transferor Companies.

16. EFFECT OF NON RECEIPT OF APPROVALS / SANCTIONS

In the event of any of the said sanctions and approvals not being obtained and / or the Scheme not being sanctioned by the High Courts and / or the Order or Orders not being passed as aforesaid on or before 31st December 1997 or such extended date as may be agreed upon between the Transferor Companies and the Transferee Company through their respective Board of Directors, the Scheme shall become null and void and each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme of Amalgamation.

17. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of the Transferor Companies and the Transferee Company respectively 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 amalgamation of the Undertaking of the Transferor Companies in pursuance of the Scheme shall be borne and paid solely by the Transferee Company.

18. INCREASE OF DIRECTORS

On the Scheme becoming Effective the Transferee Company shall make an application to the Government for obtaining requisite approval U/s 259 of the Companies Act, 1956, if any, required to increase the number of Directors of the Transferee Company.

19. AMENDMENT OF MEMORANDUM OF ASSOCIATION

- 19.1 For the avoidance of doubts, with effect from the Appointed Date to enable the Transferee Company to carry on the business of the Transferor Companies, the Memorandum of Association of the Transferee Company shall stand altered and amended by insertion of the following new Clauses as Clauses 1A, 1B, 1C, 1D & 1E after clause 1 of Para III A of its Memorandum of Association.
- 1A. To carry on the business of manufacturers, processors, buyers, sellers, dealers, importers, exporters of plastic & other polymers, pipes and fittings, plastic film, plastic paper, plastic foil, plastic jute, plastic textiles, plastic boards, plastic laminates and packaging materials and all types of extruded, moulded, formed & fused products.
- 1B. To carry on business of manufacturing refining and preparing all kinds and description of solid, liquid, chemical and bio fertilizers, micro nutrients, plant nutrients and to carry on any operation or processes of mixing, granulating different chemicals or fertilizers and for that purpose to

carry out acquisition, creation, leasing of movable, immovable, intellectual and other properties, equipment, machinery, accessories, utilities, technology, know-how process etc.

- 1C. To carry on business of Bio Pesticides and crop protection products and or all formulations for use of plants and / or human.
- 1D. To carry on the business of producing, propagating, exporting, selling, dealing in products of Tissue Culture plants of all kinds, ornamental or otherwise with the help of bio-technology and use of tissue culture as a technique of cloning genetically superior mother plants for the purpose of multiplication and to obtain true to type genotypes, disease free plants.
- 1E. To carry on the business of cultivation, procurement, purchase, process, export, deal, market, trade, manufacture deep freeze, canning, spray drying, dehydration, preservation of fresh onions and vegetables and fruits of all kinds and description.

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO 616 OF 2003
CONNECTED WITH

COMPANY APPLICATION NO 135 OF 2003

Costs Rs. 9-00
Paid Rs. 6-00
Court Fee Rs. 15-00

In the matter of Section 391 & 394 of the
Companies Act, 1956:

And,

In the matter of Scheme of Arrangement between
Jain "Processed" Foods Private Limited with
Jain Irrigation Systems Limited.

Jain Irrigation Systems Limited, a Company)
incorporated under the provisions of Companies)
Act 1956 having its Registered Office at Jain Plastic)
Park, N.H No.6, Barnbhari, PO No. 72, Jalgaon 425001.).....Petitioner

Coram: S. Radhakrishnan. J

Date: 30th September 2003

Upon the petition of Jain Irrigations Systems Limited, the Petitioner Company
above named solemnly declared on 13th day of May 2003 and presented
to this Hon'ble Court on 13th day of May 2003 for Sanctioning the
Arrangement embodied in the Scheme of Arrangement between Jain
Processed Foods Private Limited (hereinafter referred to as the "Transferor
Company") ^{and} ~~xxx~~ Jain Irrigations Systems Limited, (hereinafter referred to as
the "Petitioner Company" or Transferee Company) and for other
consequential reliefs as mentioned in the ~~xxx~~ petition AND the said petition
being this day called on for hearing and final disposal AND UPON READING
the said Petition and affidavit of Mr A.V Ghodgaonkar, Company Secretary
of Petitioner Company Solemnly affirmed on 13th day of May 2003 verifying
the said Petition AND UPON READING the affidavit of Mr A.V Ghodgaonkar,
Company Secretary of the Petitioner Company dated 11th day of September
2003 proving publication of the notice of date of hearing of the Petition in
Newspapers viz. Lokmat Times in English ^{dated 20th August, 2003} and Lokmat in Marathi ~~xxx~~ dated

21st day of August 2003 and also proving dispatch of notice of the date of hearing of the Petition upon individual creditors of the Petitioner Company AND UPON READING the affidavit of Shri Vilas Naik, clerk in the office of Advocate for the Petitioner Company dated 23rd day of September 2003 proving ~~service~~ ^{service} of notice of hearing of Petition upon Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the order dated 28th day of February 2003 passed in Company Application No 135 of 2003 ~~passed~~ by this Hon'ble Court whereby the Petitioner Company was directed to convene meetings of equity shareholders and Non cumulative Redeemable Preference Shareholders of the Petitioner Company for the purpose of considering and if thought fit, approving with or without modification the Arrangement embodied in the Scheme of Arrangement between Transferor Company and the Petitioner Company and meetings of the secured and unsecured creditors was dispensed with in view of averments made in paragraph twenty two of the affidavit of Shri A.V Ghodgaonkar dated 20th February 2003 and procedure prescribed under Sections 101 to 103 of the Companies Act, 1956 was dispensed with in view of averments made in paragraph twenty of the affidavit of Shri A.V Ghodgaonkar, Company Secretary of the Petitioner Company dated 20th day of February 2003 in support of Company Application No. 135 of 2003 AND UPON READING affidavit of Mr B.H Jain, chairman appointed for the meeting of Equity Shareholders and Non Cumulative Redeemable Preference Shareholders of the Petitioner Company dated 26th day of March 2003 proving publication of notice convening the meetings of equity shareholders and Non Cumulative Redeemable Preference Shareholders of the Petitioner Company in Lokmat Times and Lokmat both dated 14th day of March, 2003 and also proving dispatch of notice convening meetings to the individual equity shareholders and Non Cumulative Redeemable Preference Shareholders AND UPON READING the report dated 24th day of April 2003 of Mr B.H Jain, Chairman of the meetings of the ^{shareholders} equity and Non cumulative Redeemable Preference Shareholders of the Petitioner Company as to the

result of the said meetings AND UPON READING affidavit dated 24th day of April 2003 of Mr B.H Jain verifying the said report AND IT APPEARS from the said report of the Chairman of the meetings of the Equity Shareholders and Non Cumulative Redeemable Preference shareholders of the Petitioner Company ~~that~~ that the scheme of Arrangement of Transferor Company with Petitioner Company has been approved by 100% of the Equity Shareholders and Non Cumulative Redeemable Preference shareholders present either in person or by proxy of their respective meetings AND UPON READING the Affidavit dated 19th September 2003 of Mr Chakradhara Paik, Regional Director, Western Region, Department of Company Affairs, stating that ~~that~~ the Scheme is not prejudicial to the interest of members and creditors of the Petitioner Company AND UPON READING affidavit dated 19th September 2003 of Mr Aloke Kumar Chattopadhyay, General Manager- Legal & Deputy Company Secretary of Haldia Petrochemicals Limited AND UPON READING affidavits of Shri Dilip Bajranglal Murarka, partner of M/s Hariram Packaging & Polymers dated 18th September 2003, Mr Pawan Kumar Vishwanath Saraf sole Proprietor of M/s Plaschem Industries dated 18th September 2003 and Mr G.P Engineer, Manager, Western Region of M/s Macneill Engineers Limited dated 23rd day of September 2003 objecting to the Scheme of Arrangement AND UPON READING affidavit in rejoinder dated 29th September 2003 of Shri A.V Ghodgaonkar, Company Secretary of the Petitioner Company to the affidavits of Aloke Kumar Chattopadhyay, Dilip Bajranglal Murarka and Mr Pawan Kumar Vishwanath Saraf denying allegations made by the said deponents including their locus standi to intervene in these proceedings and to the effect that Petitioner Company has obtained consent letters from secured creditors of the value of Rs 22888.41 aggregating 73.41% and unsecured creditors of the value Rs 4558.48 lacs aggregating 62.75% and from Non cumulative Redeemable Preference shareholders of the value of Rs 5672.11 aggregating 65% AND UPON READING the application dated 30th day of September 2003 filed by M/s HR Shetty & Co. Advocates for M/s Macneill Engineers Limited, the objecting creditor withdrawing their objection AND UPON HEARING Mr

Hemant Sethi, Advocate for Petitioner Company and Mr R.C Master Panel Counsel instructed by Mr D.A Dube, for Regional Director, Department of Company Affairs, Maharashtra, Mumbai who submits to the orders of the Hon'ble Court and Mr Berjis Colabawalla instructed by M/s Bilawala & Co.

/ Advocate for Haldia Petrochemicals Limited and Miss S.S Patra instructed

/ by M/s H.R Shetty & Co Advocate for M/s Macneill Engineering Limited AND

no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Scheme of Arrangement of Jain Processed Foods Private Limited, the Transferor Company with Jain

/ Irrigation Systems Limited, the Petitioner Company as set forth in Exhibit E to

the Petition and also in Schedule hereto AND THIS COURT DOTH HEREBY DECLARE that the same to be binding on the Transferor Company and the

Petitioner Company and also their respective shareholders AND THIS COURT

DOTH hereby confirm utilization of Share Premium Account and Capital Redemption Account as approved by the Petitioner in terms of Special

Resolution passed by the Equity Shareholders in the meeting held on 10th

April 2003 and by Non Cumulative Redeemable Preference Shareholders

in its meeting held on 17.4.2003 in pursuance of order dated 28.2.2003

passed in Company Application No 135 of 2003 AND THIS COURT DOTH

FURTHER ORDER that order sanctioning the Scheme of Arrangement shall

be deemed to be order under Section 102 of the Companies Act, 1956 AND

/ THIS COURT DOTH FURTHER ORDER ^{that} with effect from 1st day of April 2002

(hereinafter called the Appointed Date) the entire business and the whole

of the undertaking of the Transferor Company including all the properties,

moveable and immovable, real, corporal and incorporeal, present and

contingent, assets, investments, approvals, consents, letters of intent,

licenses and registration, contracts, engagements, rights, titles, interest,

benefits and advantages of any nature whatsoever and wheresoever

situate of or vested in or granted in favour of or enjoyed by the Transferor

Company including other industrial property rights of any nature

whatsoever and licenses in respect thereof, privileges, liberties, easements,

advantages, benefits, lease, tenancy rights goodwill, ownership properties, quota rights, permits, approvals, authorizations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and all other services and all other rights, interest claims and powers of every kind, nature and description of the Transferor Company (hereinafter called "the said Assets") shall without any further Act or deed be and the same shall stand transferred to and vested to and/or deemed to be transferred to and vested in the Petitioner Company in accordance with the Scheme and pursuant to the provisions of Sections 391 and 394 of the Companies Act, 1956 AND THIS COURT DOTH FURTHER ORDER that with effect from the Appointed Date all debts, liabilities, duties and obligations of every kind, nature and description of Transferor Company (hereinafter referred to as "the said Liabilities") shall without any further Act, instrument or deed be and stand transferred to and/or deemed to be transferred to Petitioner Company pursuant to the provisions of Sections 391/394 of the Companies Act, 1956 so as to become the Debts, Liabilities, duties and obligations of the Petitioner Company provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to Transferor Company and the Petitioner Company shall not be obliged to create any further or additional security after the Amalgamation has become effective or otherwise AND THIS COURT DOTH FURTHER ORDER that all proceedings by or against the Transferor Company pending on the effective date and relating to the undertaking of Transferor Company and its liabilities obligations and duties be continued and enforced by or against Petitioner Company AND THIS

COURT DOTH FURTHER ORDER that all contract, deeds, bonds, Agreements and other instruments of whatsoever nature to which the Transferor Company was party subsisting or having effect immediately before the Effective Date to continue to be in full force and effect against or in favour of the Petitioner Company as the case may be and be enforced as fully and effectually as if instead of the Transferor Company, the Petitioner Company had been party thereto AND THIS COURT DOTH FURTHER ORDER that upon the Scheme becoming Effective, the shares of the Transferor Company held by the Petitioner Company shall stand cancelled and/or extinguished AND THIS COURT DOTH FURTHER ORDER that Petitioner Company be at liberty to submit to this Hon'ble Court for approval under Section 103(1) of the Companies Act, 1956 the Minutes relating to the reduction of the Share Premium and capital Redemption Account as on the effective date so as to make reduction effective AND THIS COURT DOTH FURTHER ORDER that Minutes to be submitted by the Petitioner Company be approved in appropriate terms and the Petitioner do within 30 days from the date of order approving the Minutes to be delivered to the Registrar of Companies under Section 103 of the Companies Act, 1956 AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do give Bank Guarantee in the sum of Rs.30,00,000 (Rupees thirty lacs only) in favour of Prothonotary & Senior Master, High Court, Bombay and the Petitioner Company do keep the Bank Guarantee alive till the intended suit to be filed by M/s.Haldia Petrochemicals Limited is heard and finally disposed off, if filed within 60 days from the date hereof and if the suit is not filed within 60 days from the date hereof the Bank Guarantee

shall stand discharged AND THIS COURT DOETH FURTHER ORDER that the Petitioner Company do within 30 days of the sealing of this order, cause a certified copy of the order thereof to be delivered and filed with the Registrar of Companies, Maharashtra, Mumbai for Registration and upon such certified copy of order being so delivered the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra State,

N Mumbai shall place all documents relating to the ~~Rxxxxxxx~~
N Transferor Company and Registered with him on the file ~~xxxx~~
 maintain by him in relation to the Petitioner Company and
N consolidate the filed of the Transferor Company and the
 Petitioner Company accordingly AND THIS COURT DOETH FURTHER
 ORDER that the parties to the Arrangement embodied in the
 Scheme of Arrangement sanctioned herein or any other person
 or persons interested therein shall be at liberty to apply
 to this Hon'ble Court for any directions that may be
 necessary with regard to the working of the Arrangement
 embodied in the Scheme of Amalgamation sanctioned herein and
N set forth in the schedule hereto AND THIS COURT DOETH
 LASTLY ORDER that the Petitioner Company do pay a sum of
 Rs.2500/- (Rupees two thousand five hundred only) to the
 Regional Director, Department of Company Affairs, Maharashtra,
 Mumbai towards the costs of the said Petition WITNESS SHRI
 HUNILAL KARSANDAS THAKKER, the Chief Justice at Bombay
 aforesaid this 30th day of September, 2003

BY THE COURT,

Arkm
 For Prothonotary & Senior Master,

Arkm
 Sealer

Dated this 15th day of November, 2003

Order sanctioning the Scheme of
Arrangement Drawn on application
by Shri Hemant Sethi, Advocate
for Petitioner having his office at
302 Satnam Building, 3A Sion West,
Mumbai 400 022.

DATE 9.7

9.7.02

SCHEDULE

SCHEDULE

SCHEME OF ARRANGEMENT OF JAIN PROCESSED FOODS PRIVATE LIMITED WITH JAIN IRRIGATION SYSTEMS LIMITED

This scheme of arrangement is presented for restructuring of Jain Irrigation Systems Limited and some of its subsidiary, including in particular the amalgamation of Jain Processed Foods Private Limited with Jain Irrigation Systems Limited, pursuant to Sections 391 to 394 read with Section 78 and other applicable provisions of the Companies Act 1956.

Background

(i) Jain Irrigation Systems Limited is a well-reputed existing company carrying on the business of manufacture of drip and sprinkler irrigation systems, plastic piping systems, plastic sheets, dehydrated vegetables, solar heating systems, fruit pulps, juice and powder etc.

(ii) Jain Processed Foods Private Limited is a 100% subsidiary of Jain Irrigation Systems Limited engaged in the business of manufacture of fruit pulps, juices and powders etc. for domestic and export markets.

1. DEFINITIONS

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

1.1 'The Transferor Company' means 'JAIN PROCESSED FOODS PRIVATE LIMITED' a Company incorporated under the Companies Act, 1956, having its Registered Office at Jain Plastic Park, N.H No.6, Bambhori, Jalgaon - 425001.

1.2 'The Transferee Company' means 'JAIN IRRIGATION SYSTEMS LIMITED' a Company incorporated under the Indian Companies Act, 1956 having its Registered Office at Jain Plastic Park, N.H No.6, Bambhori, Jalgaon - 425001.

1.3 'The Act' means the Companies Act, 1956, including any statutory modifications, re-enactments or amendments thereof.

1.4 'The Appointed Date' means 1st April, 2002 or such other date as may be approved by the Hon'ble High Court at Bombay.

1.5 'The Effective Date' means the date on which certified copies of the Hon'ble High Court's orders vesting the assets, properties, liabilities, rights, duties, obligations and the like, of the Transferor Company in the Transferee Company, are filed with the Registrar of Companies, Mumbai, Maharashtra, after obtaining all consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary.

1.6 'Scheme', or 'This Scheme' or 'The Scheme' means this Scheme of Arrangement in its present form or with any modification approved or imposed or directed by the Hon'ble High Court of Judicature at Bombay.

2. SHARE CAPITAL

2.1 The Authorised, Issued and Subscribed capital of the Transferor Company as on 31st March, 2002 is as under:

SHARE CAPITAL

AUTHORISED

11,000,000 Equity Shares of Rs. 10/- each	Rs. 110,000,000
2,700,000 Preference Shares of Rs. 100/-each	Rs. 270,000,000

ISSUED SUBSCRIBED AND PAID UP

11,000,000 Equity Shares of Rs. 10/- each fully paid up	Rs. 110,000,000
2,700,000 4% Preference Shares of Rs. 100/-each	Rs. 270,000,000

2.2 The Authorised, Issued and Subscribed Capital of the Transferee Company as on 31st December, 2002 is as under

SHARE CAPITAL

AUTHORISED

600,00,000 Equity Shares of Rs 10/- each.	Rs. 60,00,00,000
155,00,000 Redeemable Preference shares of Rs 100/- each	Rs. 1,55,00,00,000
45,00,000 Unclassified Shares of Rs. 10 each	Rs. 4,50,00,000

ISSUED SUBSCRIBED AND PAID UP

4,73,20,990 Equity Shares of Rs. 10/- each fully paid up	Rs. 47,32,09,900
5,65,313 Equity Shares of Rs. 10/- each fully paid up	Rs. 56,53,130
(565313 shares represent 1130625 EDR's underlying)	
5,00,000 4% Redeemable Preference Shares of Rs. 100 each	Rs. 5,00,00,000
31,04,990 4% Redeemable Preference Shares of Rs. 100 each	Rs. 31,04,99,000
55,23,200 4% Redeemable Preference Shares of Rs. 100 each	Rs. 55,23,20,000
1,25,000 1% Redeemable Preference Shares of Rs. 100 each	Rs. 1,25,00,000

3. MERGER OF THE TRANSFEROR COMPANY WITH THE TRANSFEE COMPANY

3.1 With effect from the opening of business as on the Appointed Date, the entire business and undertakings of the Transferor Company including all the debts, liabilities, duties and obligations of the Transferor Company of every description and also including, without limitation, all the movables and immovable properties, real, corporal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and where so ever situated, held or entitled by the Transferor Company and assets of the Transferor Company comprising amongst others all investments, vehicles, furniture and fixtures, computers, office equipment, electrical installations, telephones, telex, facsimile and other communication facilities and business licenses, permits, authorizations, if any, rights and benefits of all agreements including all sales tax incentive of the Transferor Company for all the products of the Transferee Company for the un-expired portion of the incentive availability and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals, shall without further act or deed, but subject to the charges affecting the same be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties of the Transferee Company under the provisions of Sections 391 and 394 of the Companies Act, 1956, without any further act or deed. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed of by the Transferor Company and the Transferee Company shall not be obliged to create any further or additional security therefor after the Effective Date.

3.2 All the moveable assets of the Transferor Company shall be physically handed over by manual delivery to the Transferee Company to the end and intent that the property therein passes to the Transferee Company in pursuance of the provisions of Section 394 of the Act.

3.3 In respect of such assets and movables other than those referred to above in 3.2 i.e. sundry debtors, outstanding loans, all advances recoverable in cash or in kind or for value to be received, bank balances and deposits with Government, Semi-Government, local and other authorities and bodies, the same shall be without any further act, deed or instrument be transferred to and vested in and/or be deemed to be transferred and vested in the Transferee Company on the Appointed Date pursuant to the provisions of Section 394 of the Act.

3.4 With effect from the Appointed Date, all the liabilities shall, without any further act or deed, be and stand transferred, to the Transferee Company pursuant to the applicable provisions of the said act, so as to become, as from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company from that date, provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company, by virtue of the amalgamation and the Transferee Company shall not be obliged to

create any further or additional security thereof on or after the amalgamation has become effective or otherwise.

3.5 With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure (including payment of penalty, damages or such litigation) arising or incurred by the Transferor Company shall, for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

3.6 With effect from the Appointed Date, loans or other obligations, if any, due between or amongst the Transferor Company and the Transferee Company shall stand discharged and there shall be no liability in that behalf. In so far as any securities, debentures or notes issued by the Transferor Company, and held by the Transferee Company and vice versa are concerned the same shall unless sold or transferred by the Transferor Company or the Transferee Company, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall have no effect and the Transferor Company and the Transferee Company, as the case may be, shall have no further obligation outstanding in that behalf.

3.7 All assets and liabilities resulting from the operations of the Undertaking of the Transferor Company from the Appointed Date onwards shall stand transferred to and vested in the Transferee Company on the Effective Date.

3.8 The transfer of property and liabilities and continuance of proceedings by the Transferee Company under this clause and clause 5 shall not affect any transaction or proceedings already concluded by the Transferor Companies or after the Appointed Date till the Effective Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by that respective Transferor Company in regard thereto as done and executed by the Transferee Company on behalf of itself. Furthermore, as from the Appointed Date, the Transferor Companies shall be deemed to have carried on and to be carrying on their respective business on behalf of and in trust for the Transferee Company until such time as the Scheme takes effect.

3.9 It is clarified that all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrances on the assets of the Transferor Company or on any income earned from those assets.

4 CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

Subject to the other provisions of the scheme, all contracts, deeds, bonds, agreements and other instruments, of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately on the Effective Date shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations, or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

5. LEGAL PROCEEDINGS

All legal proceedings of whatsoever nature by or against any of the Transferor Company pending and/or arising at the Appointed date or its properties, assets, debts, liabilities, duties and obligations referred to in clause 3, shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and as and from the Effective Date shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might

have been continued and enforced by or against that respective Transferor Company.

6. OPERATIVE DATE OF THE SCHEME

The scheme shall be operative from the Appointed Date.

7. CONDUCT OF BUSINESS BY THE TRANSFEROR COMPANY TILL EFFECTIVE DATE

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

7.1 shall carry on and be deemed to carry on all the 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 profits or losses arising or incurred by it shall, for all purposes, be treated as the profits or losses of the Transferee Company as the case may be.

7.2 Shall carry on their business and activities with reasonable diligence and business prudence and shall not, without the written consent of the Transferee Company, undertake any new business or alienate, charge mortgage, encumber or otherwise deal with its property otherwise than in the ordinary course of business or vary the terms and conditions of employment of any of their employees in each without prior written consent of the Transferee Company.

7.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government, and all other agencies, departments and authorities concerned as are necessary under any Law for such consents, approvals and sanctions, which the Transferee Company may require to carry on business of the Transferor Company.

8 TREATMENT OF ACCOUNTS

8.1 The excess of book value of the net assets of the Transferor Company, as appearing in the Books of Account of the Transferor Company, shall be transferred by the Transferee Company to the Amalgamation Adjustment Account.

8.2 The balances in the Capital Redemption Reserve, Share Premium Account, Amalgamation Reserve Account, Debenture Redemption Reserve Account and the General Reserve of the Transferee Company as on the effective Date shall be transferred to Amalgamation Adjustment Account.

8.3 The balance in the Amalgamation Adjustment Account in the books of the Transferee Company shall be utilized to write off and shall stand reduced by an amount equivalent to the balance appearing as debit balance of the "Profit and Loss Account" and under the head "Miscellaneous Expenditure Account (to the extent not written off or adjusted)" of the Transferor Company and Transferee Company to the end and intent that such write-off shall be deemed to be an adjustment in accordance with and for all purposes relating to the provisions of the Act.

8.4 The application and reduction of the Share Premium Account and Capital Redemption Reserve Account as per above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.

8.5 After the adjustment is made in the manner as set out above, the net balance in the Amalgamation Adjustment Account shall constitute the Transferee Company's general reserves available for distribution as if the same were created by the Transferee Company out of its own earned and distributable profits and accordingly, shall form part of its Net Worth.

8.6 Upon the Scheme coming into effect, to the extent that there are inter-company loans, bonds, debentures, advances, deposit balances or other obligations as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be.

9. COMPANY STAFF WORKMEN AND EMPLOYEES

9.1 The Transferee Company will on such transfer take over all the staff, workmen, if any, in the service of Transferor Company immediately preceding Effective Date, shall become the staff, workmen and employees of the Transferee Company on the basis that their services shall be deemed to have been continuous and not have been interrupted by reasons of the said transfer. The terms and conditions of service applicable to such staff, workmen or employees after such transfer shall not in any way be less favourable to them than those applicable to them immediately preceding the transfer.

9.2 As far as Provident Fund, Gratuity Fund or any other Special Fund or schemes existing for the benefit of the employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall be substituted for the Transferor Company for all purposes whatsoever related to the administration/operation of such Funds or schemes or in relation to the obligation to make contribution to the said Funds or schemes in accordance with provisions of such Funds or schemes according to the terms provided in the respective Trust Deeds or other documents. All the rights, duties, powers and obligations of the Transferor Company in relation to such Funds or schemes shall become those of the Transferee Company and the services of the employees will be treated as being continuous for the purpose of the aforesaid Funds or schemes.

10. CANCELLATION OF SHARES

The Transferor Company is a 100% subsidiary of the Transferee Company. Upon the Scheme becoming finally effective, the shares of the Transferor Company including the shares held by the nominees of the Transferee Company shall stand extinguished and/or cancelled and no allotment in lieu of and against the same shares of the Transferee Company will be made to itself.

11. AMENDMENT TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION

11.1 On and from the Effective Date, Clause V of the Memorandum of Association and Article 3 of the Articles of Association of the Transferee Company (relating to authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended to the extent of the Authorised Share Capital of the Transferor Company, pursuant to Section 18, 31, 94 and 394 and other applicable provisions of the Act, as the case may be in the manner set out below and be replaced by the following clause:

"The Authorised Share Capital of the Transferee Company is Rs. 257,50,00,000 (Rupees Two hundred fifty seven crores and fifty lacs only) consisting of 710,00,000 (Seven crore ten lac only) Equity Shares of Rs 10/- (Rupees ten) each and 182,00,000 (One crore eighty two lac only) Preference Shares of Rs 100/- (Rupees one hundred only) and 45,00,000 (Forty five lac only) Unclassified shares of Rs 10/- each, with power to increase or reduce the capital of the Company and to divide or reduce the Capital of the Company and to divide shares in capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of Association of the Company".

11.2 With effect from the Appointed Date to enable the Transferee Company to carry on the business of the Transferor Company, the Memorandum of Association of the Transferee Company shall stand altered and amended by insertion of the following new Clauses as Clauses 1H, after clause 1G of Para III A of its Memorandum of Association

1H. "To carry out in India and in any part of the world, business of manufacturing, precessing, converting, formulating, using, acquiring, storing, packaging, freezing, dehydrating, drying, canning, bottling, flexible pouching etc. selling, distribution, importing, exporting and trading in food stuff and food products of every description including but not limited to Fruits, Vegetables, Milk, Butter, Spices whole or grounded Cream, Cheese, Oil, Fruits, Vegetables, Honey, Sausages, Confectionery, Papads, Pickles, Sugar, Jams, Jelly, Food, Grains, Pulps, concentrates, Puree, clarified Juice concentrates, squash, Fruit Juices, Nectars, Syrup, Aromas, Concentrates, flavors, essences, Beverages, Drinks, Distilleries and masters in all its branches for human, animal or poultry consumptions."

12. APPLICATION TO HON'BLE HIGH COURT

The Transferor Company hereto shall, with all reasonable despatch, make an application under Section 391 and 394 of the Act to the Hon'ble High Court of Judicature at Bombay for necessary dispensation and sanctioning this Scheme of Amalgamation.

13. MODIFICATION/AMENDMENTS TO THIS SCHEME

13.1 The Transferor Company through their Directors, may consent on behalf of all persons concerned, to any modification/s or amendments of this Scheme or to any conditions which the Hon'ble High Court and/or any other authorities under law may deem fit to approve of or impose, which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for carrying out the Scheme and do all acts, deeds and things as may be necessary, desirable or expedient for putting this Scheme into effect. In construction herein, the word "Scheme" shall, also mean the scheme as so modified.

13.2 For the purpose of giving effect to this Scheme or to any modification thereof, the Directors of the Transferee Company are authorised to take such actions and/or to take such steps as may be necessary or desirable including any actions for settling any questions, doubt or difficulty whatsoever that may arise.

14. APPROVALS/SANCTIONS

This Scheme is conditional and subject to:

14.1 The Transferee Company obtaining such consents or approvals as may be required under any statute or contract not specifically referred to in this Scheme.

14.2 The approval of the Scheme by the requisite majority of the members of the Transferor Company.

14.3 The sanctions of the Hon'ble High Court of Judicature at Bombay with or without modification, and necessary orders passed under Sections 391 and 394 of the Act, in favour of the Transferor Company and to the necessary order or orders under section 394 of the Act, being obtained.

15. EFFECTS OF NON RECEIPT OF APPROVALS/SANCTIONS

15.1 In the event of any of the sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Hon'ble High Court and/or the order or orders not being passed as aforesaid or for any other reason this Scheme cannot be implemented on or before 31st December, 2003, then the Board of Directors of the Transferor Company and the Transferee Company, shall mutually waive such conditions as they consider appropriate to give effect, as far as possible, to this Scheme and failing such mutual agreement, this Scheme shall become null and void, and each party shall bear its respective costs, charges and expenses in connection with this Scheme of Amalgamation.

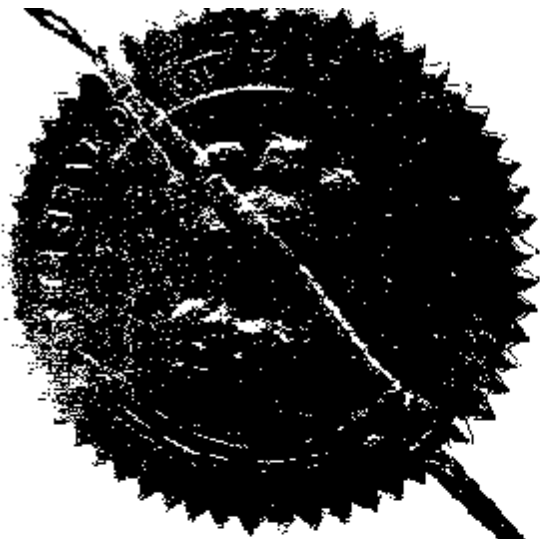
15.2 Although this Scheme comes into operation from the Appointed Date, it shall become effective on the date on which the necessary Certified Copies of the Orders under Sections 391 and 394 of the Companies Act, 1956, are duly filed with the Registrar of Companies, Mumbai, Maharashtra.

16. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges, expenses, taxes including duties, levies in connection with the Scheme of the Transferor Company in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of the Scheme and/or incidental to the completion of Amalgamation of the said Undertaking of the Transferor Company in pursuance of this Scheme shall be borne and paid by Transferee Company alone.

17. DISSOLUTION OF TRANSFEROR COMPANY

On the Scheme coming into effect, the Transferor Company shall, without any further act or deed without winding up, stand dissolved. Similarly, the Board of Directors (or any committee thereof) of the Transferor Company shall without any further act, instrument or deed be and stand dissolved as on the Effective Date.



CERTIFIED TO BE A TRUE COPY

This 12th day of 22 Nov 2002

for Prothonotary and Court of Records

In the High Court of Judicature at Bombay

Ordinary Original Civil Jurisdiction

Company Petition No 616 of 2003

Connected with

Company Application No 135 of 2003

In the matter of Section 391 & 394 of the
Companies Act, 1956;

And

between

In the matter of Scheme of Arrangement of Jain
Processed Foods Private Limited ~~with~~ Jain
Irrigations Systems Limited

Jain Irrigations Systems LimitedPetitioner

ORDER SANCTIONING THE SCHEME OF
ARRANGEMENT

DATED THIS 30TH DAY OF SEPTEMBER 2003

FILED THIS 15TH DAY OF NOVEMBER, 2003

Applied on 6-10-2003
Engrossed on 15-11-2003
Section 391 & 394
Folio 12 pages
Examined by + RY
Compared with 18/11/03
Ready on 15-11-2003
Delivered on

HEMANT SETHI
ADVOCATE FOR PETITIONER
302 Satnam Building
3A Sion West
Bombay 400022

111/04

Hernant Sethi
22/09/03 375
616
975

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY APPLICATION NO 576 OF 2003
IN

COMPANY PETITION NO 616 OF 2003
CONNECTED WITH
COMPANY APPLICATION NO 135 OF 2003

In the matter of Section 391 & 394 of the
Companies Act, 1956:

And

In the matter of Scheme of Arrangement between
Jain Processed Foods Private Limited with Jain
Irrigation Systems Limited.

Jain Irrigation Systems Limited, a Company)
Incorporated under the provisions of Companies)
Act 1956 having its Registered Office at Jain Plastic)
Park, N.H No.6, Bambhori, PO No. 72, Jalgaon 425001.).....Applicant

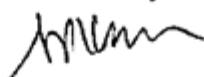
Coram : Dr D.Y Chandrachud, J

Date: 21st November 2003

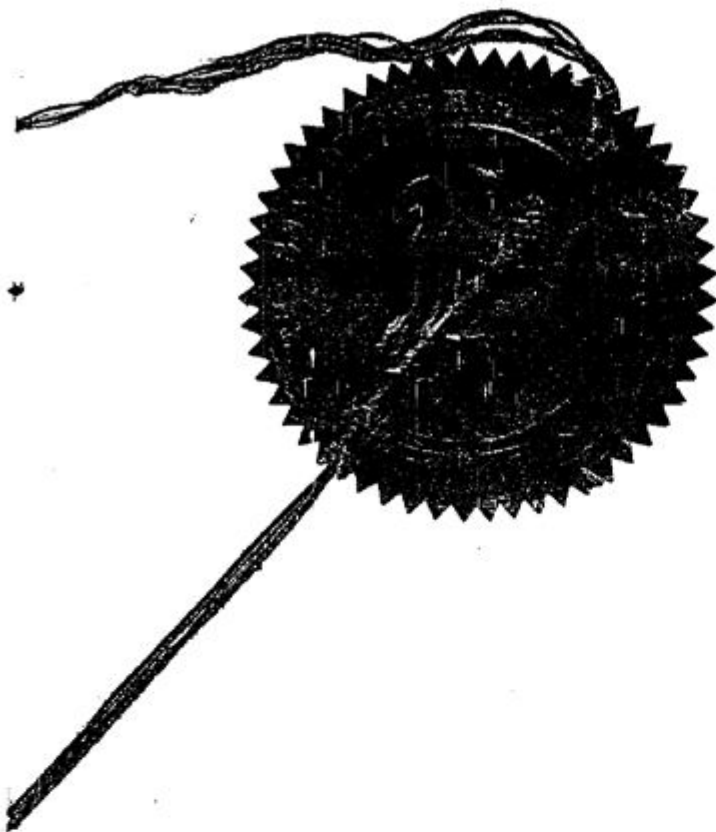
Upon the petition of Jain Irrigations Systems Limited, the Applicant Company
above named solemnly declared on 13th day of May 2003 and presented to this
Hon'ble Court on 13th day of May 2003 for Sanctioning the Arrangement
embodied in the Scheme of Arrangement between Jain Processed Foods
Private Limited (hereinafter referred to as the "Transferor Company") with Jain
Irrigations Systems Limited, (hereinafter referred to as the "Applicant Company"
or Transferee Company) and for other consequential reliefs as mentioned in the
said petition AND UPON READING the said Petition and affidavit of Mr A.V
Ghodgaonkar, Company Secretary of ~~XXXXXX~~ **Petitioner** Company Solemnly affirmed
on 13th day of May 2003 verifying the said Petition AND UPON READING order
dated 30th September 2003 passed by His Lordship Mr Justice S Radhakrishnan
thereby sanctioning the Scheme of Arrangement between Jain Processed
Foods Private Limited, the Transferor Company with Jain Irrigation Systems
Limited, the Applicant/Transferee Company as set forth in Exhibit E to the
Petition and in view of liberty being granted by virtue of the said order to the

Applicant Company to submit to this Hon'ble Court for approval under Section 103(1) of the Companies Act, 1956 the Minutes relating to the reduction of the Share Premium and Capital Redemption Account as on the effective date so as to make reduction effective AND UPON READING Company Application No 576 of 2003 and affidavit in support dated 11th November 2003 of Shri AV Godgaonkar, Company Secretary of Applicant Company to the effect that a sum of Rs 2,04,69,60,998 is required to be written off against the Share Premium Account, balance of Rs 2,79,94,73,093 and a sum of Rs 4,79,36,012 against the Amalgamation Reserve (1998) and a sum of Rs 2,00,00,000 against Capital Redemption Account and balance of Rs 75,25,12,095 be termed as General Reserve AND UPON PERSUING the Exhibits annexed to the said affidavit in support of Company Application No. 576 of 2003 AND UPON HEARING Mr Hemant Sethi Advocate for the Petitioner Company and no other person or persons entitled to appear at the hearing of the Petition appearing this day either in support of the Company Application or to show cause against the same AND THIS COURT DOTH FURTHER ORDER that the form of Minutes under Section 103(1) of the Act being Exhibit-C to the affidavit in support of Company Application No. 576 of 2003 and set forth in the Schedule hereto be and is hereby approved AND THIS COURT DOTH FURTHER ORDER that the certified copy of this order including the minute as approved be delivered to the Registrar of Companies, Maharashtra, Mumbai within 30 days from the date of sealing of this order AND THIS COURT DOTH FURTHER ORDER THAT notice of the registration by the Registrar of Companies of this order and of the said Minutes be published one each in "Lokmat Times" in English and "Lokmat" in Marathi and the Maharashtra Government Gazette within 14 days of the registration aforesaid. Registrar of Companies, Maharashtra, Mumbai do take on file the form of Minutes separately WITNESS SHRI CHUNILAL KARSANDAS THAKKER, the Chief Justice at Bombay aforesaid this 21st day of November 2003.

BY THE COURT,



FOR PROTHONOTARY AND SENIOR MASTER



H/M

Sealer

Dated this 19th day of December, 2003

89

ORDER sanctioning the approval of form of Minutes)
under Section 103(1) of the Act, 1956 drawn on the)
Application by SHRI HEMANT SETHI, Advocate for)
the Petitioner having their office at 302, Satnam)
Bldg 3-A Sion (West) Bombay - 400 022)

...Schedule.....

...Schedule.....

FORM OF MINUTES

The Share Premium Account and Capital Redemption Account of Jain Irrigation Systems Limited as on 13th October 2003 shall reduced by Rs 2,04,69,60,998 (Rupees two hundred four crores sixty nine lacs sixty thousand nine hundred ninety eight only) and Rs 2,00,00,000 (Rupees Two Crores only) respectively.



VERIFIED TO BE A TRUE COPY
of 20 Jan 2004
Secretary and Senior Manager

In the High Court of Judicature at Bombay

Ordinary Original Civil Jurisdiction

Company Application No 576 of 2003

In

Company Petition No 616 of 2003

Connected with

Company Application No 135 of 2003

In the matter of Section 391 & 394 of the

Companies Act, 1956:

And

In the matter of Scheme of Arrangement of Jain
Processed Foods Private Limited with Jain
Irrigations Systems Limited

Jain Irrigations Systems LimitedApplicant

CERTIFIED COPY OF

ORDER APPROVING FORM OF MINUTES UNDER
SECTION 103(1) OF THE COMPANIES ACT FOR
REDUCTION OF SHARE PREMIUM ACCOUNT AND
CAPITAL REDEMPTION ACCOUNT

DATED THIS 21ST DAY OF NOVEMBER 2003

FILED THIS 19TH DAY OF December, 2003

HEMANT SETHI
ADVOCATE FOR PETITIONER
302 Satnam Building
3A Sion West
Bombay 400022

Applied on 8-12-2003
In respect of 5 pages
Section 391 & 394
Folio 8
Exhibited 8
Compared with 8
Ready on 19-12-2003
Endorsed on

Applied on 8-12-2003
Engrossed on 18-12-2003
Section 391 & 394
Folio 8
Exhibited 8
Compared with 8
Ready on 19-12-2003
Endorsed on

APPELLATE AUTHORITY FOR INDUSTRIAL & FINANCIAL RECONSTRUCTION

NEW DELHI

APPEAL NO. 237/2003

Appellant: M/s Gowtham Granites Pvt.Ltd.
Respondent: BIFR & Others
Date of Hearing: 06.01.2005
Date of Order: 06.01.2005
(Appeal against BIFR's Order Dated 1.4.2003 in Case No.205/2000)

P R E S E N T

Appellant

Mr. Anil Dhir, Advocate
Ms. Preeti Mahalia, Advocate

Respondent

Bank of India

Ms. U.R. Latha, Sr. Manager

O R D E R

Heard the appellant, M/s. Gowtham Granites Pvt. Ltd. (GGPL) as well as the representative of Bank of India (BOI) which is the Operating Agency (OA) in this case. Under this Authority's earlier order dated 13/10/2004, a Draft Rehabilitation Scheme (DRS) was approved and circulated. It was also stated in that order in para 5 that all objections/suggestions received in respect of DRS will be heard on 6/1/2005.

2. There was only one objection which was received and it came from the O.A. under their letter No.MCBB.CM:AKI 2004-05 dated 30.12.2004 wherein they had pleaded that through an oversight a 'default-in-repayment clause' was not included in the DRS (DRS was drafted by the O.A.). After hearing the appellant as well as the OA on this matter and after taking into account the usual

[Signature]

practices in this regard it is ordered that the following default clause shall be added as para 6.1 (viii) (c).

→ // "In case of default, penal interest @ 1% over and above the interest chargeable as per the scheme will be applied. In case of two consecutive defaults, the OTS will be treated as cancelled and the entire contractual dues shall become payable at contractual rate of interest. Cancellation of the OTS will be subject to the approval of AAIFR". //

3. Under this Authority's order dated 17/12/04, ad-interim stay had been given on the attachment/proposed attachment by the Dy. Commercial Tax Officer (IT) Khammam, Andhra Pradesh in respect of the landed property of the appellant company. The attachment order is hereby set aside and recoveries in this behalf will be made by the Commercial Tax Department of A.P. in accordance with the dispensation incorporated in the sanctioned scheme.

4. Subject to the modification and the direction stated above, the Draft Rehabilitation Scheme (DRS) is hereby sanctioned for implementation. The monitoring of this scheme shall be done as usual by the BIFR.

J. Vasudevan
(J. VASUDEVAN)
MEMBER

Dipankar Basu
(DIPANKAR BASU)
ACTG. CHAIRMAN

NEW DELHI
DATED: 06.01.2005

CERTIFIED COPY
Kal
DIRECTOR

APPELLATE AUTHORITY FOR INDUSTRIAL & FINANCIAL RECONSTRUCTION

NEW DELHI

APPEAL NO. 237/2003

Appellant: M/s Gawtham Granites Pvt. Ltd.
Respondents: BIFR & Ors.
Date of Mention: 1.2.2005
Date of Order: 1.2.2005

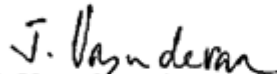
(Appeal against BIFR's Order dated 1.4.2003 in Case No.205/2000)

PRESENT

Appellants


ORDER

A mention was made today by Ms. Purni Marwaha, learned advocate appearing on behalf of Dhir & Dhir Associates that in the case of appeal No.237/2003 in the matter of Gawtham Granites Pvt. Ltd. the order passed by this Authority, the sanctioned scheme which is required to be accompanied with the order has been omitted through oversight. The sanctioned scheme incorporating the modifications ordered should be issued forthwith.


(J. Vasudevan)
MEMBER

NEW DELHI
DATED: 1.2.2005
'RDS'


(Dipankar Basu)
Acting CHAIRMAN

CERTIFIED COPY

CHANDAN K. SHOR
Under Secretary
Industrial Finance
Authority, New Delhi
Tel. No 3012732/3719647

SCHEME OF AMALGAMATION – IN THE NATURE OF MERGER

This Scheme of Amalgamation / Merger is made on this 1st day of January, 2004.

BETWEEN

M/s Gowtham Granites Private Limited, a Company formed and registered under the provisions of the Companies Act, 1956 and having its registered office at Malle, Dadugu, Village Khammam, Andhra Pradesh, hereinafter called the first party, which expression shall unless excluded by or repugnant to the context to be deemed to mean and include its representatives, successors and assignees.

AND

M/s Jain Irrigation System Limited, a public limited Company, formed and registered under the provisions of the Indian Companies Act, 1956 and having its registered office at N.H. No. 6, Jain Plastic Park, Bambhori, Taluka Erandol, District Jalgaon – 425501, hereinafter called the second party, which expression shall unless exclude by or repugnant to the context to be deemed to mean and include its representatives, successors and assignees.

WHEREAS the first party is carrying on the business of manufacture and sale of Granite Building Slabs, Monuments & Tiles and is a sick industrial Company as per the definition given under Section 3(1)(o) of the Sick Industrial Companies (Special Provisions) Act, 1985, registered with the Hon'ble Board for Industrial and Financial Reconstruction, New Delhi.

AND WHEREAS BIFR has vide order dated 1st April, 2003 has formed the prima facie opinion for winding up of first party and forwarded the said opinion to the Hon'ble High Court of Andhra Pradesh.

AND WHEREAS the first party, aggrieved by the aforesaid order has preferred an appeal u/s 25 of the Sick Industrial Companies (Special Provisions) Act, 1985, which is pending adjudication.

AND WHEREAS first party was promoted and is wholly owned subsidiary of the second party as the second party is holding 100% shareholding of the first party.

AND WHEREAS the second party is carrying on the diversified business including manufacture and sale of drip and sprinkler irrigation systems, plastic piping systems, plastic sheets, dehydrated vegetables, solar water heating systems, fruit pulps, juice and powder, tissue culture plants etc.

AND WHEREAS the business of the first and second party are not prima-facie linked with each other but the plant & machinery and infrastructure of the first party can be effectively utilized for the business of second party. It would lead to substantial operational advantages to both the parties, if they are merged.

AND WHEREAS to rehabilitate the first party and to make it viable, certain additional commitments are required to be incurred which the first party is not in a position to incur and that the second party due to its strong financial position and being in the diversified business will be able to arrange.

AND WHEREAS the first party is having substantial amount of brought forward / accumulated losses as per the provisions of Income Tax Act, 1961, which is not in a position to absorb due to its low level of profitability and that the said losses are likely to be lapse in case the same are not absorbed within the period of limitation as provided in the said Act.

AND WHEREAS the merger of the first party with the second party will enable the second party to get the brought forward losses of the first party fully absorbed against

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its taxable profits. The tax advantage so gained can be utilized in reviving the operations of the first party.

AND WHEREAS the merger of the first party, with the second party will also result in substantial other savings in Sales Tax and other taxes, administrative, marketing and other relevant costs.

It has therefore been agreed that the first party may amalgamate into the second party in terms of the following scheme:-

1.0 PRELIMINARY -

1.1 In this scheme, unless repugnant to the context:

- i) "The Transferor Company" means M/s Gowtham Granites Pvt. Limited, a Company formed and registered under the provisions of the Companies Act, 1956 and having its registered office at Mallemadugu, Village Khammam, Andhra Pradesh.
- ii) "The Transferee Company" means M/s Jain Irrigation Systems Limited, a public limited Company, formed and registered under the provisions of the Indian Companies Act, 1956 and having its registered office at N.H. No. 6, Jain Plastic Park, Bambhori, Taluka Erandol, District Jalgaon – 425501.
- iii) "The Transfer Date" means 31st December, 2003 from which date undertaking of the Transferor Company shall be transferred or deemed to be transferred without any further act, deed or thing to the Transferee Company.
- iv) "Effective Date" means the last date on which all the sanctions and approvals referred to in clause 3.12 hereof have been obtained. References in this Scheme to the date of 'coming into effect of this Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date.



v) "Undertaking" shall mean

- a) all the assets and properties of the Transferor Company as on the Transfer Date;
- b) all the liabilities, duties and obligations of the Transferor Company as on the Transfer Date (hereinafter referred to as "the said liabilities").
- c) Without prejudice to the generality of sub-clause (a) above, the undertaking of the Transferor Company shall include all the Transferor Company's reserves, movable and immovable properties, assets, including lease hold rights, tenancy rights, industrial and other licenses, permits, authorizations, quota rights, trade marks, patents and other industrial and intellectual properties, import quotas, telephones, telex, facsimile and other communication facilities and equipment, 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.

2. **Share Capital:**

- 2.1 The Authorised Share Capital of the Transferee Company is Rs. 257,50,00,000 (Rupees Two hundred fifty seven Crores fifty lacs only) divided into 7,10,00,000 Equity Shares of Rs. 10 each and 1,82,00,000 Preference Shares of Rs. 100 each and 45,00,000 unclassified shares of Rs. 10 each. The issued capital is Rs. 146,53,59,840 (Rupees One hundred forty six crores fifty three lacs fifty nine thousand eight hundred forty only) divided into 5,30,04,084 equity shares of Rs. 10 each and 93,53,190 Redeemable Preference Shares of Rs. 100 each and the subscribed and paid-up capital is 146,53,59,840 (Rupees One hundred forty six crores fifty three lacs fifty nine thousand eight hundred forty only) divided into

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5,30,04,084 equity shares of Rs. 10 each and 93,53,190 Redeemable Preference Shares of Rs. 100 each.

- 2.2 The Authorised Capital of the Transferor Company is Rs. 6,80,00,000 divided into 2,50,000 equity shares of Rs. 100 each and 4,30,000 preference shares of Rs. 100 each. The issued capital is Rs. 6,80,00,000 divided into 2,50,000 equity shares of Rs. 100 each and 4,30,000 preference shares of Rs. 100 each and the subscribed and paid-up capital is Rs. 6,80,00,000 divided into 2,50,000 equity shares of Rs. 100 each and 4,30,000 preference shares of Rs. 100 each.

3.0 **The scheme**

- 3.1 The undertaking of the Transferor Company shall with effect from the Transfer Date without further act, deed or thing, be transferred to and vested in the Transferee Company and the estate and interest of the Transferor Company but subject nevertheless to all charges, if any, then affecting the undertaking of the Transferor Company or any part thereof and on the Transfer Date shall be deemed to have been merged / amalgamated with the Transferee Company as aforesaid.
- 3.2 With effect from the Transfer Date, all the said liabilities shall, without any further act, or deed, be and stand transferred, to the Transferee Company, pursuant to the applicable provisions of the said Act, so as to become as from the Transfer Date, the debts, liabilities, duties and obligations of the Transferee Company.
- 3.3 Provided always that except as provided herein, the scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Transferor Company, which shall vest in the Transferee Company by virtue of amalgamation and the transferee Company shall not be obliged to create any further or additional security after amalgamation has become effective or otherwise unless specified provided hereinafter.

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- 3.4 If any, suit, appeal or other proceedings of whatever nature (hereinafter referred to as the "proceedings") by or against the Transferor Company be pending, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the Transfer of the undertaking of the Transferor Company or of anything contained in the scheme, but the proceedings shall be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted or enforced by or against the transferor Company if the scheme had not been made.
- 3.5 Since the Transferor Company is a Wholly Owned Subsidiary of the Transferee Company, upon sanction of the scheme the paid up share capital of the Transferor Company shall stand cancelled and no fresh shares shall be issued by the Transferee Company to its shareholders as a result of the merger. Correspondingly the investment of the Transferee Company in the Transferor Company shall stand cancelled.
- 3.6 As on the appointed date, the reserves of the Transferor Company will be merged with that of the Transferee Company in accordance with the provisions of the Accounting Standard – 14 issued by the Institute of Chartered Accountants of India.
- 3.7 Further, in case of any difference in accounting policy between the Transferor Company and the Transferee Company, the impact of the same, till the amalgamation will be quantified and transferred to Profit & Loss Account of the Transferee Company and adjusted from the Revenue Reserve(s) as mentioned earlier to ensure that the financial statement to the Transferee Company reflects the financial position on the basis of consistency in the accounting policy.
- 3.8 Subject to the provisions contained in the scheme, all contracts, deeds, bonds, agreements, instruments and writing and benefits of whatsoever nature to which the
- 

Transferor Company is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if, instead of Transferor Company, the Transferee Company had been a party thereto.

3.9 Upto the Scheme being approved by the Hon'ble Board for Industrial and Financial Reconstruction and the amalgamation becoming effective in terms of the Scheme.

- a) The activities of M/s Gowtham Granites Private Limited (GGPL) will be carried on the name and style of M/s Jain irrigation Systems Limited and the registered office of the Company be changed from Malle, Dadugu, Village Khammam, Andhra Pradesh to N.H. No. 6, Jain Plastic Park, Bambhori, Taluka Erandol, District Jalgaon – 425501,
- b) The Transferee Company shall have full rights to use the trademarks / copyrights / patents / brands and other intellectual properties belonging the Transferor company on which the Transferor Company has the right to use or which the Transferor Company has made an application for registration.

3.9 Conduct of Business by the Transferee Company.

With effect from the Transfer Date and upto the Effective Date, the Transferor Company:

- a) shall carry on and be deemed to carry on all its business activities and stand possessed of its properties and assets for and on account of and in trust for the Transferee Company, and the profit or loss arising or,



incurred by it during this period shall for all purposes be treated as the profits or loss of the Transferee Company as the case may be;

- b) thereby undertake to carry on its business until the Effective Date with reasonable diligence and shall not, without the written consent of the Transferee Company alienate, change or otherwise deal with the said undertaking or any part thereby except in the ordinary course of its business;
- c) shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business;
- d) shall not, without the written consent of Transferee Company undertake a new business.

3.10 On sanctioning of the scheme by the Hon'ble Appellate Authority for Industrial and Financial Reconstruction, the Transferor Company shall be merged, without winding up, in the Transferee Company with effect from the Transfer Date.

3.11 (a) All the employees of the Transferor Company who are in its 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 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 Sanction Date will not in anyway be less favourable to them than those applicable to them immediately before the Effective Date as aforesaid.

(b) The Provident Fund, Gratuity Fund, Super Annuation Fund or any other Special Fund created or existing for the benefit of the employees of the Transferor Company are concerned, upon the Scheme becoming effective, the Transferee Company shall be substituted for the Transferor company for all the purposes



whatsoever related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to the said Funds in accordance with provisions of such Schemes or Funds according to the terms provided in the respective Trust Deeds or other documents. All the rights, duties, powers and obligations of the Transferor Company in relation to such Schemes or Funds shall become those of the Transferee Company. The services of the employees of the Transferor Company will be treated as being continuous for the purpose of the aforesaid Schemes of funds.

3.12 The scheme is subject to the receipt of the following:

- a) Sanction by the Hon'ble Board / Appellate Authority for Industrial & Financial Reconstruction.
- b) Approval of the scheme by a Special Resolution passed by the Equity Shareholders of the Transferee Company.
- c) Any requisite, consent, approval or permission of the Central Government or any other authority, which by law or otherwise, may be necessary for the implementation of this scheme.

3.13 All costs, charges and expenses of the Transferor Company and the Transferee Company in relation to and in connection with negotiations leading up to the sanction of the Scheme shall be borne by the respective party, however, after the sanction of the scheme all the costs, charges and expenses of carrying on and completing the terms and provisions of the Scheme and / or incidental to the completion of Amalgamation and Merger of the Transferor Company in pursuance of this scheme shall be borne and paid by the Transferee Company.

3.14 For the purpose of giving effect to this scheme the Board of Directors of the Transferee Company are authorised to do such acts as may be necessary or desirable and to settle, as they may deem fit, any questions, doubts or difficulty that may arise in connection with or in the working of the scheme and do all deeds and things necessary for carrying into effect of the scheme.

HIGH COURT, BOMBAY

3027705

((--1--))

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

COMPANY PETITION NO.71 OF 2006
CONNECTED WITH
COMPANY APPLICATION NO.869 OF 2005

Jain Irrigation Systems Ltd. Petitioner

Mr.Hemant Sethi for petitioner.

Mr.C.J.Joy with R.C.Master and M.M.Goswami, Panel
Counsel i/by Dr.Y.L.Kaushik for Regional
Director.

CORAM : S.C.DHARMADHIKARI, J.

DATE : 21st April 2006


PC :

1. This is a company petition by the transferee company. The scheme of arrangement is with Terra Agro Technologies Limited which is the transferor company having its registered office in the State of Tamil Nadu. The petition for seeking sanction by the transferor company is filed before the Madras High Court.

2. As far as transferee company is concerned, it is pointed out in the petition that its equity share holders have passed a resolution approving the same. This Court was pleased to dispense



((-2-))



with the meetings of creditors and preference share holders. Shri Sethi points out that notices have been issued to the secured as well as unsecured creditors but no objections have been received. The features of the scheme are pointed out in paragraphs 15 and 16. It has been also pointed out that the transferee company would be taking over all properties, rights, powers, assets, debts, liabilities, duties and obligations of the transferor company. Shri Sethi states that all compliances have been made and necessary declarations set out in the petition.

3. Shri Joy appearing for Regional Director states that as far as Regional Director is concerned, he has forwarded report to the Registrar of Companies and his report on the affairs of the company discloses that the scheme is not prejudicial to the interest of creditors and share holders. However, he points out that as far as aspect of increase in the authorised share capital is concerned, the petitioner will have to comply with Sections 94 and 97 of the Companies Act, 1956. Shri Sethi states that compliance with the aforesaid provisions would be made, if necessary. In the light of the above, the company petition deserves to be made

HIGH COURT, BOMBAY

3027707

((-3-))

absolute. It is accordingly made absolute in terms of prayer clause (a). Costs of Regional Director is quantified at Rs.2,500/- to be paid to the Regional Director within a period of two weeks. All concerned to act on an ordinary copy of this order and the scheme, duly authenticated by the Company Registrar.



(S.C.DHARMADHIKARI, J.)

TRUE-COPY
M. D. NARAYAN 28/3/06
M. D. NARAYAN
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

TRUE COPY
M. D. NARAYAN 28/4/06
Session Officer
High Court, Appellate Side
Bombay.

SCHEME OF AMALGAMATION TERRA AGRO TECHNOLOGIES LIMITED WITH JAIN IRRIGATION SYSTEMS LIMITED

PREAMBLE:

This Scheme of Arrangement is presented for the amalgamation of Terra Agro Technologies Limited (the "Transferor Company") with Jain Irrigation Systems Limited (the "Transferee Company") pursuant to Sections 391 to 394 and the other relevant provisions of the Companies Act, 1956.

1. DEFINITIONS

In this Scheme, unless the context otherwise requires, the following expressions shall have the following meanings:

- 1.1 "Act" means the Companies Act, 1956, including any statutory modifications, re-enactments or amendments thereof.
- 1.2 "Appointed Date" means 1st day of April 2005 or such other date as the Court may direct.
- 1.3 "Board" means Board of Directors.
- 1.4 "Court" means the Honorable High Court of Judicature at Mumbai or the Honorable High Court of Judicature at Chennai, as the case may be.
- 1.5 "Effective Date" means the last of the following dates or such other dates as the Court may direct, namely:
 - 1.5.1 The date on which the last of all the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders as are hereinafter referred to have been obtained or passed; and
 - 1.5.2 The date on which certified copies of the Order of the Court under sections 391, 392 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra.
- 1.6 "Record Date" means a date to be fixed by the Board of Directors of the Transferee Company.
- 1.7 "Scheme" means this Scheme of Amalgamation in its present form submitted to the Court for sanction or with any modification(s) approved or imposed or directed by the Court.
- 1.8 "Transferee Company" means Jain Irrigation Systems Limited, a company incorporated under the Companies Act, 1956, bearing Registration No. 42028 and having its Registered Office at Jain Plastic Park, N.H. No. 6 Bambhori, Jalgaon 425001, Maharashtra.
- 1.9 "Transferor Company" means Terra Agro Technologies Limited, a company incorporated under the Companies Act, 1956, bearing Registration No. 181-5506 of 1994 and having its registered office at 147, First Street, Thiru Nagar, Ukkadam Perur bye pass road, Selvapuram, Coimbatore 600 026.
- 1.10 "Undertaking" shall mean:
 - 1.10.1 All the assets, properties, current assets, investments, claims, authorities, allotments, approvals, consents, licenses, registration, contracts, engagements, arrangements, estates, interests, intellectual property rights, powers, rights and titles, benefits and advantages of whatsoever nature and wherever situate of every description belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date (hereinafter referred to as "the said assets") and;
 - 1.10.2 All the debts, duties, liabilities and obligations of every description of, or pertaining to, the Transferor Company as on the Appointed Date as provided herein (hereinafter referred to as "the said liabilities").Without prejudice to the generality of the foregoing, the term "Undertaking" shall include the entire business of the Transferor Company which is being carried out under the trade name of "Terra Agro Technologies" and shall include advantages of whatsoever nature, agreements, allotments, approvals, arrangements, authorizations, benefits, capital work-in-progress, concessions, rights and assets, industrial and intellectual property rights of any nature whatsoever and licenses in respect thereof,

intangibles, investments, leasehold rights, liberties, patents, permits, powers of every kind, nature and description whatsoever, privileges, provision funds, quota rights, registrations, reserves, and all properties, movable and immovable, real, corporeal or incorporeal, wheresoever situated, right to use and avail of telephones, telexes, facsimile connections, installations and other communication facilities and equipments, tenancy rights, titles, trademarks, trade names, all other utilities held by the Transferor Company or to which the Transferor Company is entitled to on the Appointed Date and cash and bank balances, all earnest moneys and/or deposits including security deposits paid by the Transferor Company and all other interests wheresoever situated, belonging to or in the ownership, power or possession of or in the control of or vested in or granted in favour of or enjoyed by or arising to the Transferor Company.

2. NATURE OF BUSINESS:

- 2.1 Nature of Business of Transferor Company: The Transferor Company is engaged in the business of cultivation of vegetables and others crops, processing of vegetables through dehydration method for distribution and sale in the export market.
- 2.2 Nature of Business of Transferee Company: The Transferee Company is carrying on diversified businesses including manufacture and sale of drip and sprinkler irrigation systems, plastic piping systems, plastic sheets, dehydrated vegetables, solar water heating systems, fruit pulps, juice and powder, tissue culture plants etc. The detailed objects for which the Transferee Company has been established are set out in the Memorandum and Articles of Association of the Transferee Company.

3. SHARE CAPITAL:

- 3.1 Share Capital of Transferor Company: The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31st October 2005 is as follows:

Authorized	Rs.
80,00,000 Equity Shares of Rs. 10 each	8,00,00,000
1,00,00,000 Preference Shares of Rs. 10 each	10,00,00,000
Total	18,00,00,000
Issued, Subscribed and Paid-up	Rs.
50,00,000 Equity Shares of Rs. 10 each fully paid-up	5,00,00,000
1,00,00,000 Preference Shares of Rs. 10 each	10,00,00,000
Total	15,00,00,000

- 3.2 Share Capital of Transferee Company: The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st October 2005 is as follows:

Authorized	Rs.
7,35,00,000 Equity Shares of Rs. 10 each	73,50,00,000
1,66,30,000 Redeemable Preference Shares of Rs. 100 each	1,66,30,00,000
45,00,000 unclassified shares of Rs. 10 each	4,50,00,000
Total	2,64,30,00,000
Issued, Subscribed and Paid-up	Rs.
5,81,68,141 Equity Shares of Rs. 10 each fully paid-up	58,16,81,410
1,85,087 Equity Shares of Rs. 10 each representing underlying 3,70,174 European Depositary Receipts	18,50,870
5,00,000 4% Preference Shares of Rs. 100 each	5,00,00,000
31,04,990 4% Preference Shares of Rs. 100 each	31,04,99,000
56,23,200 4% Preference Shares of Rs. 100 each	56,23,20,000
1,25,000 1% Preference Shares of Rs. 100 each	1,25,00,000
Total	1,51,88,51,280

- 3.3 Share Capital on Implementation of Scheme: Upon the Scheme becoming effective, and subject to such consents as may be necessary, and subject to the provisions of the said Act, the Authorised share capital of the Transferee Company shall stand increased to Rs. 2,82,30,00,000 as follows:

Authorized Share Capital	Rs.
8,15,00,000 Equity Shares of Rs. 10 each	Rs. 81,50,00,000
1,96,30,000 Redeemable Preference Shares of Rs. 100 each	Rs. 1,96,30,00,000
45,00,000 unclassified shares of Rs. 10 each	Rs. 4,50,00,000
Total	Rs. 2,82,30,00,000

The relevant clauses of the Memorandum of Association and the Articles of Association shall stand amended to read as follows without any further act on part of the Transferee Company:

Clause V. The Authorised Share Capital of the Company is Rs.2,82,30,00,000- (Rupees Two hundred eighty two crores thirty lacs only) divided into 8,15,00,000 (Eight crore fifteen lacs number of Equity Shares of Rs. 10 each) Equity shares of Re 10/- (Rupee Ten only) each, 1,96,30,000 (One crore ninety six lac thirty thousand) Non-convertible Redeemable Preference Shares of Rs.100/- (Rupees One Hundred each) each and 45,00,000 (Forty-five Lac) Unclassified Shares of Rs.10/- (Rupees Ten only) each, with power to increase and reduce the capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or provided by the regulations of the Company, for the time being.

ARTICLES OF ASSOCIATION :

Article 3. The Authorised Share Capital of the Company is Rs.2,82,30,00,000- (Rupees Two hundred eighty two crores thirty lacs only) divided into 8,15,00,000 (Eight crore fifteen lacs number of Equity Shares of Rs. 10 each) Equity shares of Re 10/- (Rupee Ten only) each, 1,96,30,000 (One crore ninety six lac thirty thousand) Non-convertible Redeemable Preference Shares of Rs.100/- (Rupees One Hundred each) each and 45,00,000 (Forty-five Lac) Unclassified Shares of Rs.10/- (Rupees Ten only) each, and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulation of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Act or provided by the regulations of the Company, for the time being.

4. TRANSFER OF THE UNDERTAKING OF THE TRANSFEROR COMPANY

4.1 Transfer of the Undertaking: With effect from the Appointed Date, and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the entire Undertaking of the Transferor Company including the said assets and the said liabilities as on the Appointed Date shall, pursuant to the provisions of Section 394 and other applicable provisions of the Act, without any further act, deed, instrument, matter or thing, be and shall stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company, as a going concern, so as to become the Undertaking of the Transferee Company.

4.2 Transfer of Assets Subject to Charges: The transfer/vesting as aforesaid shall be subject to charges, hypothecation and mortgages, if any as may be subsisting, over or in respect of the said assets or any part thereof on the Appointed Date. Provided however that, any reference in any security documents or arrangements to which the Transferor Company is a party to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, to the secured creditors of the Transferor Company, shall be construed as reference only to the assets pertaining to the undertaking of the Transferor Company as are vested in the Transferee Company by virtue of clause 4.1 above, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company, unless specifically agreed to by the Transferee

Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.

4.3 Mode of Transfer of Assets: It is expressly provided that pursuant to the transfer of the Undertaking as provided in Clause 4.1 above, all the said assets are so transferred by the Transferor Company to the Transferee Company to the end and intent that the property therein passes to the Transferee Company pursuant to the provisions of Section 394 of the Act as an integral part of the Undertaking.

4.3.1 Transfer of Immovable assets: With effect from the Appointed Date, all immovable assets of the Transferor Company, including but not limited to land held on a freehold, leasehold or any other basis, and buildings, shall stand transferred, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Date the immovable assets of the Transferee Company, and it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this clause. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such instruments, deeds and writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliances on the part of the Transferor Company to be carried out or performed in order to give effect to the provisions of this clause.

4.3.2 Transfer of Movables: The movable assets of the Transferor Company consisting of computers, air conditioners and office equipments, furniture and fixtures, other investments and cash on hand shall be handed over by physical delivery (together with duly executed transfer forms or other documents as may be required) to the Transferee Company along with such other documents as may be necessary to the end and intent that the property therein passes to the Transferee Company on such delivery. Further, such of the other movable assets that are movable by nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same may be so transferred by the Transferor Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities of the Transferee Company in pursuance of Section 394 of the said Act as an integral part of the undertaking.

4.3.3 Transfer of Liabilities: Pursuant to the transfer of the Undertaking as provided in Clause 4.1 above, and subject to the provisions in the Scheme in relation to the mode of transfer and vesting, all debts, liabilities, duties and obligations of the Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing, to the Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, duties, liabilities and obligations of the Transferee Company and further that for the purpose of giving effect to the provisions of this Clause, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen. The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the statutory creditors of the Transferor Company shall continue to enjoy and hold charge upon their respective securities and properties. The Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute Deeds of Confirmation, in favour of any of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company or the Transferee Company is a party to, or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

4.3.4 **Transfer of Profits and Reserve:** With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure (including payment of penalty, damages or such litigation) arising or incurred by the Transferor Company shall, for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

4.3.5 **Transfer of Contracts:** Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments, of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately on the Appointed Date shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations, or novation, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

4.3.6 **Transfer of Legal Proceedings:** All legal proceedings of whatsoever nature by or against any of the Transferor Company pending and/or arising at the Appointed Date or in relation to its properties, assets, debts, liabilities, duties and obligations, shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and as and from the Effective Date shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

4.4 **Place of Vesting:** The vesting of the Undertaking shall by virtue of the provisions of this Scheme, and the effect of the provision of Section 394 of the said Act, take place at the registered office of the Transferee Company.

5. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

5.1 **Takeover of all the employees:** The Transferee Company will takeover all the permanent staff, workmen and other employees in the service of the Transferor Company immediately preceding the Effective Date, and they shall become the staff, workmen and employees of the Transferee Company.

5.2 **Services of Employees to be continued uninterruptedly:** The benefits relating to gratuity, provident fund and superannuation fund as per the rules of the Transferee Company shall become applicable to the employees of the Transferor Company from the Effective Date. For all other purposes the service of employees of the Transferor Company shall be regarded as continuous without any break or interruption of service by reason of the transfer of the Undertaking to the Transferee Company.

5.3 **Terms and conditions of service shall be the same:** The terms and conditions of service applicable to such employees on the Effective Date will not in any way be less favourable to them than those applicable to them immediately before the Effective Date. The position, rank and designation of the employees would, however, be decided by the Board of the Transferee Company, which shall also have the right to exercise an option, if warranted, to transfer such employees to any unit of the Transferee Company as may be deemed to be necessary from time to time.

6. ACTIONS AFTER APPOINTED DATE

6.1 **Operative Date of Scheme:** This Scheme, though effective from the Appointed Date, shall be operative from the Effective Date.

6.2 **Assets and Liabilities:** All assets and liabilities resulting from the operations of the Undertaking of the Transferor Company from the Appointed Date onwards shall stand transferred to and vested in the Transferee Company on the Effective Date.

6.3 **Profits and Losses:** With effect from the Appointed Date and up to the Effective Date all the profits or incomes accruing or arising to the Transferor

Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as the profits or incomes or expenditure or losses of the Transferee Company, except to the extent described in paragraph on accounting treatment elsewhere in the scheme.

6.4 **Transactions and Proceedings:** The transfer of property and liabilities and continuance of proceedings by the Transferee Company under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on or after the Appointed Date till the Effective Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things lawfully done and executed by the Transferor Company to the same extent as if done and executed by the Transferee Company on behalf of itself.

6.5 **Debts and Obligations:** It is clarified that all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrances on the assets of the Transferor Company or on any income earned from those assets.

6.6 **Conduct of Business:** With effect from the Appointed Date the Transferor Company:

6.6.1 Shall be deemed to have held and stood possessed of and shall hold and stand possessed of the entire Undertaking of The Transferor Company for and on account of and for the benefit of and in trust for the Transferee Company, and

6.6.2 Shall carry on and be deemed to be carrying on all businesses and activities relating to the Transferor Company for and on account of and for the benefit of and in trust for the Transferee Company.

6.7 **Transferor Company to carry on its Business with Diligence:** With effect from the Appointed Date, the Transferor Company has carried on and hereafter undertakes to carry on its business with reasonable diligence and utmost business prudence. From the date of acceptance of this Scheme by the respective Boards of the Transferor Company and the Transferee Company, the Transferor Company shall not alienate, charge, encumber, mortgage or otherwise deal with its Undertaking including any of the said assets or any part thereof, without the prior written consent of the Transferee Company, save and except in the ordinary course of business, or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.

6.8 **Transferor Company not Permitted to undertake New Business:** From the date of acceptance of the Scheme by the respective Boards of the Transferor Company and the Transferee Company, the Transferor Company shall not, without the prior written consent of the Transferee Company, undertake any new business or activity, including any business requiring resolution under Section 149(2A) of the Act.

6.9 **No change to be effected in the Capital Structure of the Transferor Company:** Save as specifically provided in this Scheme, and/or except with the consent of the Board of the Transferee Company, the Transferor Company shall not make any change in its capital structure, (by way of bonus shares, convertible debenture, detachable warrants, equity or preference shares, options and calls, fresh issue of rights shares, secured premium notes, zero interest bonds, or any other instruments of raising capital) by any increase, decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner.

6.10 **No changes in the terms and conditions of employment of the Transferor Company's employees:** From the date of acceptance of the Scheme by the respective Boards of the Transferor Company and the Transferee Company, the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.

6.11 **Enforcement of Legal Proceedings:** All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against the Transferor

Company shall not abate; be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertaking of the Transferor Company or of anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made and thereafter be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made. The Transferee Company shall take steps to have the abovementioned proceedings continued in its name.

- 6.12 **Enforcement of Contracts:** Subject to the other provisions of this Scheme, all lawful agreements, arrangements, bonds, contracts, deeds and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which it may be eligible and which are subsisting or operative or having effect, shall till the Effective Date, be in full force and effect and may be enforced as fully and effectually as if, the Scheme had not been made and thereafter, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto, subject to such changes and variations in the terms, conditions and provision thereof as may be mutually agreed to between the Transferee Company and other parties thereto. The Transferee Company shall enter and/or issue and/or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novations in order to give formal effect to the provisions of this clause, if so required or if it becomes necessary.
- 6.13 **Payment of Dividends:** The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends to their respective shareholders prior to the Effective Date. Both the Transferor Company and the Transferee Company shall be entitled to declare dividend only out of the disposable profit earned by the respective companies during the relevant financial year and shall not transfer any amount from the reserves for the purposes of payment of dividend. The dividend shall be declared by the Transferor Company and/or the Transferee Company only by mutual agreement between the Board of Directors of both the companies. It is clarified that the aforesaid provisions in relation to declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or the Transferee Company to demand or claim or be entitled to any dividend which subject to the provisions of the said Act, shall be entirely in the discretion of the Board of Directors and the approval of the shareholders of the respective companies.
- 6.14 **Rights of Shareholders:** The holders of the shares of the Transferor Company and the Transferee Company shall, save as otherwise provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the respective companies of which they are members till the Effective Date.

7. ISSUE OF EQUITY SHARES BY THE TRANSFEE COMPANY

Upon the Scheme becoming operative, in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of this scheme, the Transferee Company shall without any further application or deed (except as outlined elsewhere) issue and allot to every member of the Transferor Company holding fully paid up Equity Shares in the Transferor Company whose names appear in the Registrar of Members of the Transferor Company on such date (hereinafter called the "Record Date" as the Board of Directors of the Transferee Company will determine, his/her heirs, executors, administrators or the successors in title as the case may be

- 1 (One) Equity Share of Rs. 10/- each fully paid up of Transferee Company for every 48 (Forty Eight) Equity Shares of Rs.10 each fully paid of the Transferor Company held for the time being.
- The Equity shares (22,50,000) of Rs.10 each held by the Transferee Company in the Share Capital of the Transferor Company and the

Preference Shares (1,00,00,000) 1% Redeemable Preference Shares of Rs.10 each held by the Transferee Company in the Share Capital of the Transferor Company shall stand cancelled/extinguished and the Transferee Company shall not issue any equity shares in respect of equity shares or preference shares held by the Transferee Company in the Transferor Company.

- The new Equity Shares to be issued and allotted pursuant to sub clause 7.1 hereof shall in all respect, rank pari passu with the existing equity shares of the Transferee Company, including entitlement to dividend on such new equity shares from the appointed date thereof in respect of dividend declared after the effective date.
- The new equity shares to be issued and allotted in terms hereof will be subject to Memorandum and Articles of Association of the Transferee Company.
- No fractional coupons shall be issued by the Transferee Company in respect of fractional entitlements, if any, to which the shareholders of the Transferee Company may be entitled on issue and allotment of the Equity Shares of the Transferee Company as aforesaid. The Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the members of the Transferor Company may be entitled on issue and allotment of the Equity shares and shall issue such consolidated shares and or fractional coupons to a Director or an Officer of the Transferee Company on the express understanding that such Director or Officer to whom such Equity Shares be allotted shall sell the same in the market (BSE/NSE) at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the Transferee Company shall distribute such net sale proceeds to the members of the Transferor Company in proportion to their fractional entitlements.
- Upon the Scheme becoming operative, all the shareholders of the Transferor Company, if so required by the Transferee Company by notice in this behalf, shall surrender their Certificates representing Equity shares of the Transferor Company, according to their respective entitlements, to the Transferee Company for cancellation thereof. Notwithstanding the foregoing, upon the new Equity Shares being issued and allotted as aforesaid, the Share Certificates in respect of the Equity Shares held in the Transferor Company shall be deemed to have been automatically cancelled and of no effect and the Transferee Company instead of requiring surrender of such Certificates may directly issue and dispatch new Certificates in respect of the new Equity Shares issued and allotted by the Transferee Company.
- For the purpose of aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the requisite consent or approval of the Reserve Bank of India and other appropriate authorities concerned for the issue and allotment by the Transferee Company to the respective members of the Transferor Company, of the Equity Shares in the said recognized Share Capital of the Transferee Company in the ratio aforesaid.
- The Transferee Company shall be ore allotment of the Equity Shares in terms of the Scheme, increase its Authorized Share Capital by the creation of at least such number of Equity Shares of Rs. 10/- each as may be necessary to satisfy its obligations under the provisions of the Scheme.
- DISSOLUTION OF THE TRANSFEROR COMPANY**
 - Upon the Scheme being sanctioned and an Order being made by the Court under Section 394 of the Act the Transferor Company shall stand dissolved without winding up on the Effective Date
- ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY**
 - Tax Benefits:** The carry forward of the business losses and unabsorbed depreciation of the Transferor Company shall be available to the Transferee Company for carry forward and set off as per the provisions of the Income Tax Act 1961 as amended upto date and applicable to the transaction.
 - Recordation of Assets and Liabilities:** The Transferee Company shall record all assets and liabilities vested in the Transferee Company pursuant to the Scheme at their book values in the books of the transferor Company.

- 9.3 Adjustment for differences in accounting policies: In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 9.4 Procedure to deal with Balances as between the Transferor Company and the Transferee Company: To the extent that there are inter-company loans, deposits, balances or debenture holding as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be. For the removal of doubt, it is clarified that in view of the above, there would be no accrual of interest or other charges in respect of any such inter-company loan, deposit or balances, with effect from the Appointed Date.
- 9.5 On the "effective date" the surplus arising on account of difference between new amount to be issued as Share Capital as stated in Paragraph 7.1 above and the amount of Share Capital of the Transferor Company, amounting to Rs.2,69,27,080 (Rupees Two crores sixty nine lacs twenty seven thousand eighty) shall stand credited to Amalgamation Adjustment Account.
- 9.6 Similarly the difference in the value of the equity shares held as investments by the Transferee Company and the face value reflected in the Transferor Company's books being Rs. 1,89,38,138 (Rupees One crore eighty nine lacs thirty eight thousand one hundred thirty eight) shall be transferred to Amalgamation Adjustment Account.
- 9.7 The non compete covenant fees paid by the Transferee Company being Rs. 1,30,00,000 (Rupees One crore thirty lacs) shall be transferred to Amalgamation Adjustment Account.
- 9.7 The aggregate of cumulative and non-cumulative redeemable preference shares of as on appointed date above amounting to Rs.9,50,00,000/- have been redeemed during the year 2005-06 and a surplus on account of partial remission of the said liability amounting to Rs.7,98,00,000 (Rupees Seven crores ninety eight lacs only) shall be credited to Amalgamation Adjustment Account.
- 9.8 An amount of Rs.1,15,00,000 lying to the credit of the share premium reserve account in the transferee company's books as on appointed date shall be transferred to Amalgamation Adjustment Account.
- 9.9 The amount of Secured Loans as on appointed date amounting to Rs.30,00,00,000 (Rupees Thirty crores only) has been settled during the year 2005-06 and a surplus on account of partial remission of the said liability amounting to Rs. 24,53,84,000 (Rupees Twenty four crores fifty three lacs eighty four thousand only) shall be transferred to Amalgamation Adjustment Account.
- 9.10 Out of the amount of unsecured Loans as on appointed date amounting to Rs.12,09,83,019 (Rupees Twelve crores nine lacs eighty three thousand nineteen only) an amount of Rs.11,99,83,019 (Rupees Eleven crores ninety nine lacs eighty three thousand nineteen only) has been settled during the year 2005-06 and a surplus on account of partial remission of the said liability amounting to Rs. 9,68,14,019 (Rupees Nine crores sixty eight lacs fourteen thousand and nineteen only) shall be transferred to Amalgamation Adjustment Account.
- 9.11 Out of the amount of unsecured Sundry creditors as on appointed date amounting to Rs.1,15,35,307 (Rupees One crore fifteen lacs thirty five thousand three hundred seven only) an amount of Rs.1,06,46,192 (Rupees One crore six lacs fifty four thousand one hundred ninety two only) has been settled during the year 2005-06 and a surplus on account of partial remission of the said liability amounting to Rs. 66,92,148 (Rupees Sixty six lacs ninety two thousand one hundred forty eight only) shall be transferred to Amalgamation Adjustment Account.
- 9.12 In the books of the transferor company as on the appointed date i.e., 1st April 2005 the debit balance lying in the Profit and Loss Account amounting to Rs.17,80,60,828 (Rupees Seventeen Crores eighty lacs sixty thousand eight hundred twenty eight only) shall be transferred to the Amalgamation Adjustment Account.
- 9.13 The Transferor Company has carried out a revaluation of leased assets transferred by its erstwhile parent at nominal value to reflect true value in its books of accounts. The amount of such revaluation is Rs. 4,50,05,443. This amount appearing in the Capital Reserve account shall be transferred to the Amalgamation Adjustment Account.
- 9.14 After the adjustment is made in the manner detailed in clauses 9.5 to 9.13 above, the residuary balance amounting to 34,00,00,000 (Rupees Thirty four crores only) to the credit of the Amalgamation Adjustment Account shall stand transferred to a Contingency Reserve Account or General Reserve Account as may be deemed fit by the Transferee Company in due course of time.
- 9.15 The application and reduction of the Share Premium Account and Capital Redemption Reserve Account as per above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution or liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital and the order of the court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.
- 9.16 Upon the Scheme coming into effect, to the extent that there are inter-company loans, debentures, advances, deposit balances or other obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be.
- 9.17 Other than above, Accounting Standard 14 (AS-14) Accounting for Amalgamation shall be followed for giving effect to the scheme.
- 10. APPLICATION TO THE HIGH COURT FOR SANCTIONING SCHEME**
- 10.1 Application by Transferor Company: The Transferor Company shall with all reasonable dispatch, make applications/petitions under Section 391 and 394 and other applicable provisions of the said Act to the High Court of Tamil Nadu at Chennai for sanctioning of this Scheme and for dissolution of the Transferor Company without winding-up under the provisions of law.
- 10.2 Application by Transferee Company: The Transferee Company shall also with all reasonable dispatch, make applications/petitions under Section 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Mumbai for sanctioning of this Scheme under the provisions of law.
- 11. MODIFICATIONS TO THE SCHEME**
- 11.1 Scheme subject to Modifications: The Scheme shall be subject to such modifications as the Court while sanctioning such amalgamation to the Transferor Company with the Transferee Company may direct and which the Board of the Transferor Company and the Transferee Company may consent and agree to.
- 11.2 Modifications and Amendments to Scheme: The Transferor Company and the Transferee Company may in their full and absolute discretion, assent from time to time, on behalf of all persons concerned, to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Court and/or any other authorities under law may deem fit to approve of or direct or impose or which may otherwise be considered necessary or desirable or appropriate by them in the best interest of the members for setting any question or doubt or difficulty that may arise, whether by reason of any order of the Court or of any directive or orders of any other authorities or otherwise howsoever, arising out of, under or by virtue of this Scheme and for the implementation and/or carrying out of the Scheme or in any matter connected therewith and to do all acts, deeds and things and take all such steps as may be necessary, desirable or expedient for putting the Scheme into effect on or after dissolution of the Transferor Company. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards, a committee or committees of the concerned Board or any director authorized on that behalf by the concerned Board.

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In The High Court of Judicature at Bombay

Ordinary Original Civil Jurisdiction

Company Petition No 71 of 2006

Connected with

Company Application No 869 of 2005

In the matter of Section 391 & 394 of the
Companies Act, 1956;

And

In the matter of Scheme of Arrangement of
Terra Agro Technologies Limited with Jain
Irrigation Systems Limited

Jain Irrigations Systems Limited

.....Petitioner



**AUTHENTICATED COPY OF ORDER
DATED 21 PRIL 2006 AND SCHEME
ANNEXED TO THE PETITION
Dated this 21 day of April 2006**

Applied on 28/4/06
Expressed in
Signed by
For
By [Signature]
Credited to [Signature]
Ready on 03-05-06
Delivered on 03-05-06

Hemant Sethi
Advocate for petitioner
302 Satnam Building
3A Sion West
Mumbai 400022

HIGH COURT, BOMBAY

0625316

: 1 :

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

O. O. C. J.

COMPANY PETITION NO. 41 OF 2007
CONNECTED WITH
COMPANY APPLICATION NO. 1221 OF 2006

In the matter of Scheme of
Amalgamation of Eurissko Agro Ltd.
With
Jain Irrigation Systems Ltd.

Eurissko Agro Limited.

... Petitioner.

WITH

COMPANY PETITION NO. 42 OF 2007
CONNECTED WITH
COMPANY APPLICATION NO. 1222 OF 2006

Jain Irrigations Systems Limited.

... Petitioner.

.....

Mr. Hemant Sethi for the Petitioner.
Mr. C.J. Joy for the Regional Director.
Mrs. K.V. Gautam, Dy. D.L.
Mr. Ricab Chandak i/b. DSK Legal for Objectors.

.....

CORAM : DR.D.Y.CHANDRACHUD, J.

4TH MAY, 2007.

P.C. :

The sanction of the Court is sought to a Scheme of Amalgamation under Sections 391 to 394 of the Companies Act, 1956.

2. The Court has been informed that in so far as Transferor Company is concerned, the shareholders have



: 2 :

communicated their consents while individual notices have been issued to all the creditors in terms of the directions issued by this Court while dispensing with the holding of the meetings. Similarly, in so far as the Transferee Company is concerned, the Court has been informed that a meeting was convened of all the shareholders at which a Resolution was passed unanimously, approving the scheme.



3. Individual notices are stated to have been issued to the creditors of the Transferee in pursuance of the directions issued by the Court while dispensing with the holding of a meeting. Individual notices are also stated to have been issued to the shareholders.

4. Both the Regional Director and the Official Liquidator have stated that the scheme as proposed is not contrary to the public interest or prejudicial to the interest of the shareholders or creditors.

5. An objection was raised at the stage of the hearing of the Company Petition by the two Objectors Dr. Vinay B. Patel and Mr. Gautam V. Patel. However, a settlement has been arrived at between the Transferor,

: 3 :

Transferee and the Objectors which has been signed by the parties and by the respective Advocates. The terms of settlement have been taken on record and marked as "X". The learned Counsel have stated before the Court that pursuant to the terms of settlement, cheques, a power of attorney and declaration have been exchanged and that blank transfer forms have been duly handed over. In view of the settlement, the Objectors have no objection to the scheme. There is no objection to the scheme. Since all the statutory compliances have been duly effected, the Company Petition is made absolute in terms of prayer clause (a).

7. The Petitioners to pay costs of Rs.2500/- each to the Ministry of Law and Justice and Official Liquidator.

.....

TRUE-COPY

M. D. HARVEKAR
M. D. HARVEKAR
COMPANY REGISTRAR
HIGH COURT, (O.S.)
BOMBAY

TRUE COPY

Section Officer
Section Officer
High Court, Appellate Side
Bombay.

**SCHEME OF ARRANGEMENT BETWEEN
EURISSKO AGRO LIMITED ("TRANSFEROR") AND
JAIN IRRIGATION SYSTEMS LIMITED
("TRANSFeree") UNDER SECTION 391 READ WITH
SECTION 394 OF THE COMPANIES ACT 1956**

PREAMBLE:

This Scheme of Arrangement is presented for the amalgamation of Eurissko Agro Limited (the "Transferor Company") with Jain Irrigation Systems Limited (the "Transferee Company") pursuant to Sections 391 to 394 and the other relevant provisions of the Companies Act, 1956.

1. DEFINITIONS

In this Scheme, unless the context otherwise requires, the following expressions shall have the following meanings:

- 1.1 "Act" means the Companies Act, 1956, including any statutory modifications, re-enactments or amendments thereof.
- 1.2 "Appointed Date" means 1st day of April 2006 or such other date as the Court may direct for the purposes of this scheme and for the Income Tax act, 1961.
- 1.3 "Board" means Board of Directors.
- 1.4 "Court" means the Honorable High Court of Judicature at Mumbai.
- 1.5 "Effective Date" means the last of the following dates or such other dates as the Court may direct, namely:
 - 1.5.1 The date on which the last of all the necessary consents, approvals, permissions, resolutions, agreements, sanctions and orders as are hereinafter referred to have been obtained or passed; or
 - 1.5.2 The date on which certified copies of the Order of the Court under Sections 391, 392 and 394 of the Act sanctioning the Scheme are filed with the Registrar of Companies, Maharashtra.
- 1.6 "Record Date" means a date to be fixed by the Board of Directors of the Transferee Company for exchange of shares under the Scheme.
- 1.7 "Scheme" means this Scheme of Arrangement in its present form submitted to the Court for sanction or with any modification(s) approved or imposed or directed by the Shareholders of respective Companies or the Honorable High Court of Judicature at Bombay "Court".
- 1.8 "Transferee Company" means Jain Irrigation Systems Limited, a company incorporated under the Companies Act, 1956, bearing Registration No.11-42028 and having its Registered Office at Jain Plastic Park, NH No.6, Bambhori, Jalgaon 425001.
- 1.9 "Transferor Company" means Eurissko Agro Limited, a company incorporated under the Companies Act, 1956, bearing Registration No. 11-067887 and having its registered office at Gat No. 102, Chakan Shikrapur Road, Bhose Khed, Pune - 410 501.
- 1.10 "Undertaking" shall mean and include the following:
 - 1.10.1 All the assets, properties, current assets, investments, claims, authorities, allotments, approvals, consents, licenses, registration, contracts, engagements, arrangements, estates, interests, intellectual property rights, powers, rights and titles,

benefits and advantages of whatsoever nature and wherever situate of every description belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company as on the Appointed Date (hereinafter referred to as "the said assets") and;

- 1.10.2 All the debts, duties, liabilities and obligations of every description of, or pertaining to, the Transferor Company as on the Appointed Date as provided herein (hereinafter referred to as "the said liabilities").

Without prejudice to the generality of the foregoing, the term "Undertaking" shall include the entire business of the Transferor Company which is being carried out under the trade name of "Eurissko Agro" and shall include advantages of whatsoever nature, agreements, allotments, approvals, arrangements, authorizations, benefits, capital work-in-progress, concessions, rights and assets, industrial and intellectual property rights of any nature whatsoever and licenses in respect thereof, intangibles, investments, leasehold rights, liberties, patents, permits, powers of every kind, nature and description whatsoever, privileges, provision funds, quota rights, registrations, reserves, and all properties, movable and immovable, real, corporeal or incorporeal, wheresoever situated, right to use and avail of telephones, telexes, facsimile connections, installations and other communication facilities and equipments, tenancy rights, titles, trademarks, trade names, all other utilities held by the Transferor Company or to which the Transferor Company is entitled to on the Appointed Date and cash and bank balances, all earnest moneys and/or deposits including security deposits paid by the Transferor Company and all other interests wheresoever situate, belonging to or in the ownership, power or possession of or in the control of or vested in or granted in favour of or enjoyed by or arising to the Transferor Company.

2. NATURE OF BUSINESS:

- 2.1 Transferor Company: The Transferor Company is engaged in the business of onion dehydration.
- 2.2 Transferee Company: The Transferee Company is carrying on diversified businesses including manufacture and sale of drip and sprinkler irrigation systems, plastic piping systems, plastic sheets, dehydrated vegetables, solar water heating systems, fruit pulps, juice and powder, tissue culture plants etc. The detailed objects for which the Transferee Company has been established are set out in the Memorandum and Articles of Association of the Transferee Company.

3. JUSTIFICATION FOR THE SCHEME

- 3.1 The Transferor Company and the Transferee Company are engaged in the business of similar and complementary products. The Amalgamated Company will benefit from this synergy in the products and the brand name of the Transferee Company will further enhance the marketability of products manufactured under the name of Transferee Company.
- 3.2 The Transferee Company will benefit due to the tax shield available from the carried forward losses of the Transferor Company.
- 3.3 The Transferee Company will benefit from the management expertise especially in technical areas, which are essential for critical decisions.

- 3.4 By the proposed Scheme of Amalgamation the financial resources of both the companies will be conveniently merged and pooled together leading to a more effective and centralised management and reduction of administrative and manpower expenses and overheads which are presently being multiplied because of separate entities.
- 3.5 Amalgamation will result in the larger pool of various resources as well as manpower and will create a synergy, which will enable the Transferee Company to grow and prosper at a faster pace.
- 3.6 The amalgamation of both the companies will pave the way for better and more efficient utilisation of larger resources and funds.
- 3.7 The combined managerial and financial resources will enhance the capability of the Transferee Company to invest in larger and sophisticated projects to ensure rapid growth and will consolidate the strategic strength of the Transferee Company.
- 3.8 The losses suffered by the Transferor Company has adversely affected its borrowing capacities, both fund based and non fund based, and has also resulted in borrowings at higher costs. The amalgamation of the two companies will enable consolidation and optimum utilisation of financial resources with the additional benefit of lower interest costs.
- 3.9 It would also lead to growth prospects for the personnel and organisation connected with these companies and thus be in the interest of and for the welfare of, the employees of the companies concerned in this Scheme, and will also be in the larger interest of the public.

4. SHARE CAPITAL

- 4.1 **Transferor Company:** The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 30th September 2006 is as follows:

Authorized	Rs.
7,000,000 Equity Shares of Rs. 10 each	70,000,000
Total	70,000,000
Issued, Subscribed and Paid-up	Rs.
66,30,061 Equity Shares of Rs.10 each fully paid-up	6,63,00,610
Total	6,63,00,610

- 4.2 **Transferee Company:** The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 30th September 2006 is as follows:

Authorized	Rs.
81,500,000 Equity Shares of Rs. 10 each	815,000,000
19,630,000 Redeemable Preference Shares of Rs. 100 each	1,963,000,000
4,500,000 unclassified shares of Rs. 10 each	45,000,000
Total	2,823,000,000
Issued, Subscribed and Paid-up	Rs.
58,225,433 Equity Shares of Rs. 10 each fully paid-up	582,254,330
1,85,087 Equity Shares of Rs. 10 each representing underlying 3,70,174 European Depositary Receipts	1,850,870

Authorized	Rs.
500,000 4% Preference Shares of Rs. 100 each	25,000,000
3,104,990 4% Preference Shares of Rs. 100 each	310,499,000
5,623,200 4% Preference Shares of Rs. 100 each	562,320,000
125,000 1% Preference Shares of Rs. 100 each.	12,500,000
Total	1,494,424,200

5. SHARE CAPITAL ON IMPLEMENTATION OF SCHEME:

- 5.1 **Transferee Company:** Upon the Scheme becoming effective, and subject to such consents as may be necessary, and subject to the provisions of the said Act, the Authorised share capital of the Transferee Company shall stand increased to Rs. 289.30 crores as follows:

Authorized	Rs.
88,500,000 Equity Shares of Rs. 10 each	885,000,000
19,630,000 Redeemable Preference Shares of Rs. 100 each	1,963,000,000
4,500,000 unclassified shares of Rs. 10 each	4,50,00,000
Total	2,893,000,000

The relevant clauses of the Memorandum of Association and the Articles of Association shall stand amended to include the above authorized capital without any further act on part of the transferor Company.

6. TRANSFER OF THE UNDERTAKING OF THE TRANSFEROR COMPANY

- 6.1 **Transfer of the Undertaking:** With effect from the Appointed Date and subject to the provisions of the Scheme in relation to the mode of transfer and vesting, the entire Undertaking of the Transferor Company including the said assets and the said liabilities as on the Appointed Date shall, pursuant to the provisions of Section 394 and other applicable provisions of the Act, without any further act, deed, instrument, matter or thing, be and shall stand transferred to and vested in or deemed to have been transferred to or vested in the Transferee Company, as a going concern, so as to become the undertaking of the Transferee Company.

- 6.2 **Transfer Subject to Charges:** The transfer/vesting as aforesaid shall be subject to charges, hypothecation and mortgages, if any as may be subsisting, over or in respect of the Undertaking or any part thereof on the Appointed Date. Provided however that, any reference in any security documents or arrangements to which the Transferor Company is a party to the assets of the Transferor Company offered or agreed to be offered as security for any financial assistance or obligations, to the secured creditors of the Transferor Company, shall be construed as reference only to the assets pertaining to the Undertaking of the Transferor Company as are vested in the Transferee Company by virtue of Clause 6.1 above, to the end and intent that such security, mortgage and charge shall not extend or be deemed to extend to any of the assets or to any of the other units or divisions of the Transferee Company, unless specifically agreed to by the Transferee Company with such secured creditors and subject to the consents and approvals of the existing secured creditors of the Transferee Company.

6.3 **Mode of Transfer of Undertaking:** It is expressly provided that pursuant to the transfer of the Undertaking as provided in Clause 6.1 above, all the said assets are so transferred by the Transferor Company to the Transferee Company to the end and intent that the property therein passes to the Transferee Company pursuant to the provisions of Section 394 of the Act as an integral part of the Undertaking.

6.3.1 **Transfer of Immoveables:** With effect from the Appointed Date, all immoveable assets of the Transferor Company included in the Undertaking, including but not limited to land held on a freehold, leasehold or any other basis, and buildings, shall stand transferred, without any further act, instrument or deed, to the Transferee Company, pursuant to the provisions of Section 394 of the said Act so as to become as and from the Appointed Date the immoveable assets of the Transferee Company, and it shall not be necessary to obtain the consent of any third party or other person in order to give effect to the provisions of this Clause. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such instruments, deeds and writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliances on the part of the Transferor Company to be carried out or performed in order to give effect to the provisions of this Clause.

6.3.2 **Transfer of Movables:** The movable assets of the Transferor Company consisting of plant and machinery, equipment, tools, spares, inventory, computers, air conditioners and office equipments, furniture and fixtures, other investments and cash on hand and cash in bank shall be handed over by physical delivery (together with duly executed transfer forms or other documents as may be required) to the Transferee Company along with such other documents as may be necessary to the end and intent that the property therein passes to the Transferee Company on such delivery. Further, such of the other movable assets that are movable by nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same may be so transferred by the Transferor Company, and shall, upon such transfer, become the property, estate, assets, rights, title, interest and authorities of the Transferee Company in pursuance of Section 394 of the said Act as an integral part of the Undertaking.

6.3.3 **Transfer of Liabilities:** Pursuant to the transfer of the Undertaking as provided in Clause 6.1 above, and subject to the provisions in the Scheme in relation to the mode of transfer and vesting, all debts, liabilities, duties and obligations of the Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing, to the Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the debts, duties, liabilities and obligations of the Transferee Company and further that for the purpose of giving effect to the provisions of this Clause, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen. The Scheme shall not in any manner affect the rights and interests of the creditors of the Transferor Company or be deemed to be prejudicial to their interests and in particular the statutory creditors of the Transferor Company shall continue to enjoy and hold charge upon their respective securities and properties. The Transferee Company may at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any

law or otherwise, execute Deeds of Confirmation, in favour of any of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company or the Transferee Company is a party to, or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

6.3.4 **Transfer of Profits and Reserve:** With effect from the Appointed Date, all profits, reserves, income accruing to or losses and expenditure (including payment of penalty, damages or such litigation) arising or incurred by the Transferor Company shall, for all purposes, be treated as the profits or reserves or income or losses or expenditure, as the case may be of the Transferee Company.

6.3.5 **Transfer of Contracts:** Subject to the other provisions of the Scheme, all contracts; deeds, bonds, agreements and other instruments, of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately on the Appointed Date shall be in full force and effect against or in favour of the Transferee Company as the case may be and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations, or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

6.3.6 **Transfer of Legal Proceedings:** All legal proceedings of whatsoever nature by or against any of the Transferor Company pending and/or arising at the Appointed Date or in relation to its properties, assets, debts, liabilities, duties and obligations, shall be continued and/or enforced until the Effective Date as desired by the Transferee Company and as and from the Effective Date shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

6.4 **Place of Vesting:** The vesting of the Undertaking shall by virtue of the provisions of this Scheme, and the effect of the provision of Section 394 of the said Act, take place at the registered office of the Transferee Company.

7. TRANSFEROR COMPANY'S STAFF, WORKMEN AND EMPLOYEES

7.1 **Takeover of all the employees:** The Transferee Company will takeover all the permanent staff, workmen and other employees in the service of the Transferor Company immediately preceding the Effective Date, and they shall become the staff, workmen and employees of the Transferee Company.

7.2 **Services of Employees to be continued uninterruptedly:** The benefits relating to gratuity, provident fund and superannuation fund as per the rules of the Transferee Company shall become

applicable to the employees of the Transferor Company from the Effective Date. For all other purposes the service of employees of the Transferor Company shall be regarded as continuous without any break or interruption of service by reason of the transfer of the Undertaking to the Transferee Company.

- 7.3 Terms and conditions of service shall be the same: The terms and conditions of service applicable to such employees on the Effective Date will not in any way be less favourable to them than those applicable to them immediately before the Effective Date. The position, rank and designation of the employees would, however, be decided by the Board of the Transferee Company, which shall also have the right to exercise an option, if warranted, to transfer such employees to any unit of the Transferee Company as may be deemed to be necessary from time to time.

8. ACTIONS AFTER APPOINTED DATE

- 8.1 Operative Date of Scheme: This Scheme, though effective from the Appointed Date, shall be operative from the Effective Date.

- 8.2 Assets and Liabilities: All assets and liabilities resulting from the operations of the Undertaking of the Transferor Company from the Appointed Date onwards shall stand transferred to and vested in the Transferee Company on the Effective Date.

- 8.3 Profits and Losses: With effect from the Appointed Date and up to the Effective Date all the profits or incomes accruing or arising to the Transferor Company or expenditure or losses arising or incurred by the Transferor Company shall for all purposes be treated and be deemed to be and accrue as the profits or incomes, or expenditure or losses of the Transferee Company, except to the extent described in Clause 11 of this Scheme relating to accounting treatment.

- 8.4 Transactions and Proceedings: The transfer of property and liabilities and continuance of proceedings under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company in the ordinary course of business on or after the Appointed Date till the Effective Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things lawfully done and executed by the Transferor Company to the same extent as if done and executed by the Transferee Company on its own behalf.

- 8.5 Debts and Obligations: It is clarified that all debts, liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrances on the assets of the Transferor Company or on any income earned from those assets.

- 8.6 Conduct of Business: With effect from the Appointed Date the Transferor Company:

8.6.1 Shall be deemed to have held and stood possessed of and shall hold and stand possessed of the entire Undertaking of the Transferor Company for and on account of and for the benefit of and in trust for the Transferee Company, and

8.6.2 Shall carry on and be deemed to be carrying on all businesses and activities relating to the Transferor Company for and on account of and for the benefit of and in trust for the Transferee Company.

- 8.7 Transferor Company to carry on its Business with Diligence: With effect from the Appointed Date, the Transferor Company

has carried on and hereafter undertakes to carry on its business with reasonable diligence and utmost business prudence. From the date of acceptance of this Scheme by the respective Boards of the Transferor Company and the Transferee Company, the Transferor Company shall not alienate, charge, encumber, mortgage or otherwise deal with the Undertaking including any of the said assets or any part thereof, without the prior written consent of the Transferee Company, save and except in the ordinary course of business, or pursuant to any pre-existing obligation undertaken by the Transferor Company prior to the Appointed Date.

- 8.8 Transferor Company not Permitted to undertake New Business: From the date of acceptance of the Scheme by the respective Boards of the Transferor Company and the Transferee Company, the Transferor Company shall not, without the prior written consent of the Transferee Company, undertake any new business or activity, including any business requiring resolution under Section 149(2A) of the Act.

- 8.9 No change to be effected in the Capital Structure of the Transferor Company: Save as specifically provided in this Scheme, and/or except with the consent of the Board of the Transferee Company, the Transferor Company shall not make any change in its capital structure, (by way of bonus shares, convertible debenture, detachable warrants, equity or preference shares, options and calls, fresh issue of rights shares, secured premium notes, bonds, or any other instruments of raising capital) by any increase, decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner.

- 8.10 No changes in the terms and conditions of employment of the Transferor Company's employees: From the date of acceptance of the Scheme by the respective Boards of the Transferor Company and the Transferee Company, the Transferor Company shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business.

- 8.11 Enforcement of Legal Proceedings: All proceedings of whatsoever nature (legal and others, including any suits, appeals, arbitration, execution proceedings, revisions, writ petitions, if any) by or against the Transferor Company shall not abate, be discontinued or be in any way prejudicially affected by reason of this Scheme or the transfer of the Undertaking of the Transferor Company or of anything contained in this Scheme but the said proceedings, shall, till the Effective Date be continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made and thereafter be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company if this Scheme had not been made. The Transferee Company shall take steps to have the abovementioned proceedings continued in its name.

- 8.12 Enforcement of Contracts: Subject to the other provisions of this Scheme, all lawful agreements, arrangements, bonds, contracts, deeds and other instruments of whatsoever nature to which the Transferor Company is a party to or to the benefit of which it may be eligible and which are subsisting or operative or having effect, shall till the Effective Date, be in full force and effect and may be enforced as fully and effectually as if, the Scheme had not been made and thereafter, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto, subject to

such changes and variations in the terms, conditions and provision thereof as may be mutually agreed to between the Transferee Company and other parties thereto. The Transferee Company shall enter and/or issue and/or execute deeds, writings or confirmations or enter into any arrangement, confirmations or novations in order to give formal effect to the provisions of this Clause, if so required or if it becomes necessary.

- 8.13 **Payment of Dividends:** The Transferor Company and the Transferee Company shall be entitled to declare and pay dividends to their respective shareholders prior to the Effective Date. The Transferor Company and the Transferee Company shall each be entitled to declare dividend only out of the disposable profit earned by the respective companies during the relevant financial year and shall not transfer any amount from the reserves for the purposes of payment of dividend. The dividend shall be declared by the Transferor Company and/or the Transferee Company only by mutual agreement between the Board of Directors of the companies. It is clarified that the aforesaid provisions in relation to declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company or the Transferee Company to demand or claim or be entitled to any dividend which subject to the provisions of the said Act, shall be entirely in the discretion of the Board of Directors and the approval of the shareholders of the respective companies.

- 8.14 **Rights of Shareholders:** The holders of the shares of the Transferor Company and the Transferee Company shall, save as otherwise provided under this Scheme, continue to enjoy their existing rights under their respective Articles of Association including the right to receive dividends from the respective companies of which they are members till the Effective Date.

SHARE EXCHANGE RATIO

Valuation Method: The proposed share exchange ratio has been arrived at by adoption of a combination of following methods with appropriate weightages:

- 9.1.1 Profit earning capacity value
- 9.1.2 Net asset value method
- 9.1.3 Market Price method (where available)
- 9.1.4 DCF Method

- 9.2 **Valuer:** The exchange ratio has been computed by M/s. Dalal & Shah Chartered Accountants, Mumbai who were appointed as valuation experts by the Board of the two companies.

10. ISSUE OF EQUITY SHARES BY THE TRANSFEE COMPANY

- 10.1 Upon the Scheme becoming operative, in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of this Scheme, the Transferee Company shall without any further application or deed (except as outlined elsewhere) issue and allot to every member of the Transferor Company holding fully paid up Equity Shares in the Transferor Company whose names appear in the Registrar of Members of the Transferor Companies on the Record Date, his/her heirs, executors, administrators or the successors in title as the case may be

2 (Two) Equity Shares of Rs. 10/- each fully paid up of Transferee Company for every 49 (Forty Nine) Equity Shares of Rs. 10 each fully paid of the Transferor Company.

- 10.2 The new Equity Shares to be issued and allotted pursuant to sub-Clause 10.1 hereof shall in all respect, rank pari passu with

the existing Equity Shares of the Transferee Company, including entitlement to dividend on such new Equity Shares from the Appointed Date in respect of dividend declared after the Effective Date.

- 10.3 The new Equity Shares to be issued and allotted in terms hereof will be subject to Memorandum and Articles of Association of the Transferee Company.

- 10.4 No fractional coupons shall be issued by the Transferee Company in respect of fractional entitlements, if any, to which the shareholders of the Transferee Company may be entitled on issue and allotment of the Equity Shares of the Transferee Company as aforesaid. The Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the members of the Transferor Company may be entitled on issue and allotment of the Equity Shares and shall issue such consolidated shares and or fractional coupons to a Director or an Officer of the Transferee Company on the express understanding that such Director or Officer to whom such Equity Shares be allotted shall sell the same at the best available price and pay to the Transferee Company, the net sale proceeds thereof whereupon the Transferee Company shall distribute such net sale proceeds to the members of the Transferor Company in proportion to their fractional entitlements.

- 10.5 Upon the Scheme becoming operative, all the shareholders of the Transferee Company, if so required by the Transferee Company by notice in this behalf, shall surrender their certificates representing Equity Shares of the Transferor Company, according to their respective entitlements, to the Transferee Company for cancellation thereof. Notwithstanding the foregoing, upon the new Equity Shares being issued and allotted as aforesaid, the share certificates in respect of the Equity Shares held in the Transferor Company shall be deemed to have been automatically cancelled and of no effect and the Transferee Company instead of requiring surrender of such certificates may directly issue and dispatch new Certificates in respect of the new Equity Shares issued and allotted by the Transferee Company.

- 10.6 For the purpose of aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the requisite consent or approval of the Reserve Bank of India and other appropriate authorities concerned for the issue and allotment by the Transferee Company to the respective members of the Transferor Company, of the Equity Shares in the said share capital of the Transferee Company in the ratio aforesaid.

- 10.7 The Transferee Company shall before allotment of the Equity Shares in terms of the Scheme, increase its Authorized Share Capital by the creation of at least such number of Equity Shares of Rs. 10/- each as may be necessary to satisfy its obligations under the provisions of the Scheme.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the Scheme being sanctioned and an Order being made by the Court under Section 394 of the Act, the Transferor Company shall stand dissolved without winding up on the Effective Date.

12. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

- 12.1 **Tax Treatment:** Pursuant to the transfer of the Undertaking as provided in Clause 6.1 above, and subject to the provisions in the Scheme, all tax returns, filings, assessments, payments, deductions, withholding, rebates, benefits, incentives, set-offs,

- carry-forward, tax losses, unabsorbed depreciation and other rights, liabilities and obligations whatsoever of the Transferor Company, shall also be and stand transferred or deemed to be transferred, without further act, instrument, deed, matter or thing, to the Transferee Company, pursuant to the provisions of Section 394 of the Act so as to become as and from the Appointed Date, the rights, liabilities and obligations of the Transferee Company. The carry forward of the tax losses and unabsorbed depreciation of the Transferor Company shall be available to the Transferee Company. The Transferee Company shall have the right to rectify tax returns and file revised tax returns and seek re-assessment or revisions in assessment or rectification of mistakes in filings, returns or assessment in respect of any period(s) prior to the Effective Date in the manner and to the same extent as would or might have been done by or against the Transferor Company. For the purpose of giving effect to the provisions of this Clause, it shall not be necessary to obtain the consent of any third party or authority.
- 12.2 **Recordation of Assets and Liabilities:** The Transferee Company shall record all assets and liabilities vested in the Transferee Company pursuant to the Scheme at their book values.
- 12.3 **Adjustment for Differences in Accounting Policies:** In case of any differences in accounting policy between the Transferor Company and the Transferee Company, the impact of the same till the amalgamation will be quantified and adjusted in the General Reserve of the Transferee Company to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.
- 12.4 **Procedure to deal with Balances as between the Transferor Company and the Transferee Company:** To the extent that there are inter-company loans, deposits, balances or debenture holding as between the Transferor Company and the Transferee Company, the obligations in respect thereof shall come to an end and there shall be no liability in that behalf and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be. For the removal of doubt, it is clarified that in view of the above, there would be no accrual of interest or other charges in respect of any such inter-company loan, deposit or balances, with effect from the Appointed Date.
- 12.5 On the Effective Date, the surplus arising on account of difference between amount to be issued as Share Capital as stated in Clause 10.1 above and the amount of Share Capital of the Transferor Company, amounting to Rs. 63,594,460 (Rupees Six crore thirty five lacs ninety four thousand four hundred sixty only) shall stand credited to Amalgamation Adjustment Account.
- 12.6 The aggregate of preference shares of the Transferor Company as on the Appointed Date amounting to Rs. 266,24,380 have been redeemed by the Transferor Company during the year 2006-07 and a redemption premium on account of redemption of the said liability amounting to Rs. 6,575,620 (Rupees Sixty five lacs Seventy Five thousand six hundred twenty only) shall be debited to Amalgamation Adjustment Account.
- 12.7 An amount of Rs. 71,601,321 (Rupees Seven Crores sixteen Lacs one thousand three hundred twenty one only) lying to the credit of the Special Reserve Account in the Transferor Company's books as on the Appointed Date shall be transferred to Amalgamation Adjustment Account.
- 12.8 The amount of Share Application Money of the Transferor Company as on the Appointed Date amounting to Rs. 9,834,500 (Rupees Ninety eight lacs thirty four thousand five hundred only) has been waived during the year 2006-07 and a surplus on account of complete remission of the said liability amounting to Rs. 9,834,500 (Rupees Ninety eight lacs thirty four thousand five hundred only) shall also be transferred to Amalgamation Adjustment Account.
- 12.9 In the books of the Transferor Company as on the Appointed Date, the debit balance lying in the Profit and Loss Account including preliminary expense (to the extent not written off) aggregating to Rs. 72,802,208 (Rupees Seven crores twenty eighty lacs two thousand two hundred eight only) shall be transferred to the Amalgamation Adjustment Account.
- 12.10 After the adjustment is made in the manner detailed in Clauses 12.1 to 12.9 above, the residuary balance amounting to Rs. 65,652,453 (Rupees Six crores fifty six lacs fifty two thousand four hundred fifty three only) to the credit of the Amalgamation Adjustment Account shall stand transferred to a Contingency Reserve Account for use by the Transferee Company in due course of time.
- 12.11 The application and reduction of the Share Application Money Account and Special Reserve Account or Preference Share redemption premium as per above, shall be effected as an integral part of the Scheme itself as the same does not involve either diminution or liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital and the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction.
- 12.12 Upon the Scheme coming into effect, to the extent that there are inter-company loans, debentures, advances, deposit balances or other obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of the Transferee Company for the reduction of any assets or liabilities as the case may be.
- 13. APPLICATION TO THE HIGH COURT FOR SANCTIONING SCHEME**
- 13.1 **Application by Transferor Company:** The Transferor Company shall with all reasonable dispatch, make applications/petitions under Section 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme and for dissolution of the Transferor Company without winding-up under the provisions of law.
- 13.2 **Application by Transferee Company:** The Transferee Company shall also with all reasonable dispatch, make applications/petitions under Section 391 and 394 and other applicable provisions of the said Act to the High Court of Judicature at Bombay for sanctioning of this Scheme under the provisions of law.
- 14. MODIFICATIONS TO THE SCHEME**
- 14.1 **Scheme subject to Modifications:** The Scheme shall be subject to such modifications as the Court while sanctioning such amalgamation to the Transferor Company with the Transferee Company may direct and which the Board of the Transferor Company and the Transferee Company may consent and agree to.
- 14.2 **Modifications and Amendments to Scheme:** The Transferor Company and the Transferee Company may in their full and absolute discretion, assent from time to time, on behalf of all persons concerned, to any modifications or amendments to the Scheme or agree to any terms and/or conditions which the Court and/or any other authorities under law may deem fit to approve

of or direct or impose or which may otherwise be considered necessary or desirable or appropriate by them in the best interest of the members for setting any question or doubt or difficulty that may arise, whether by reason of any order of the Court or of any directive or orders of any other authorities or otherwise howsoever, arising out of, under or by virtue of this Scheme and for the implementation and/or carrying out of the Scheme or in any matter connected therewith and to do all acts, deeds and things and take all such steps as may be necessary, desirable or expedient for putting the Scheme into effect on or after dissolution of the Transferor Company. The aforesaid powers of the Transferor Company and the Transferee Company may be exercised by their respective Boards, a committee or committees of the concerned Board or any director authorized on that behalf by the concerned Board.

- 14.3 Withdrawal of Scheme: In the event that any conditions imposed by the Court are found unacceptable for any reason whatsoever by the Transferor Company or the Transferee Company, then the Transferor Company and/or the Transferee Company shall be entitled to withdraw from the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.

15. **SCHEME CONDITIONAL ON APPROVALS/SANCTIONS**

The Scheme is conditional upon and subject to the following approvals/ permissions and the amalgamation shall be deemed to be complete on the date on which the last of such approvals/ permission shall have been obtained.

Approval of the Central Government or any other Authority: The sanction or approval under any law or of the Central Government or any other agency, department or authorities concerned in respect of any of the matters in respect of which such sanction or approval is required.

- 15.2 Approval of both the Transferor Company and the Transferee Company: The approval and agreement of the Scheme by the requisite majorities of such classes of persons of the Transferor Company and of the Transferee Company, as may be directed by the High Court of Judicature at Mumbai on the applications made for directions under Section 391 of the said Act for calling meeting and necessary resolutions being passed under the said Act.

- 15.3 Requisite resolutions to be passed by the Shareholders of both the Transferor and Transferee Company: The requisite

resolutions under the applicable provisions of the said Act being passed by the shareholders of the Transferor Company and the Transferee Company, for any of the matters provided for or relating to the Scheme as may be required or be necessary.

- 15.4 Sanction of the High Court of Judicature at Bombay: The sanction of the High Court of Judicature at Bombay under Sections 391 and 394 and other applicable provisions of the said Act in favour of the Transferor Company and the Transferee Company.

16. **EFFECT OF NON-RECEIPT OF APPROVALS/SANCTIONS**

In the event of any of the said sanctions and approvals referred to in the Clause 15 above not being obtained and/or the Scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid before 30 September, 2007 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors (and which the Board of Directors of both the companies are hereby empowered and authorised to agree to and extend from time to time without any limitations), the Scheme of Amalgamation shall become null and void and shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or may otherwise arise in law.

17. **EFFECT OF NON-FULFILLMENT OF ANY OBLIGATION**

In the event of non-fulfillment of any or all obligations under the Scheme, by either the Transferor Company or the Transferee Company, the non performance of which will put the other company under any obligation, then such defaulting company will indemnify all costs/interest, etc. to the other company, subject to a specific provision if any to the contrary under the Scheme.

18. **COSTS & EXPENSES**

All costs, charges and expenses of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the said Undertaking of the Transferor Company in pursuance of this Scheme shall be borne and paid by the respective companies.

TRUE-COPY

M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

Tunny
H. S. S. S.

In The High Court of Judicature at Bombay

Ordinary Original Civil Jurisdiction

Company Petition No. 42 of 2007

Connected with

Company Application No. 1222 of 2006

In the matter of Section 391 & 394 of the
Companies Act, 1956;

And

In the matter of Scheme of Amalgamation
between Eurisko Agro Limited and Jain
Irrigation Systems Limited

Jain Irrigation Systems Limited

..... Petitioner

AUTHENTICATED COPY OF ORDER DATED 04TH
MAY 2007 AND SCHEME ANNEXED TO THE
PETITION



05/06/07
Agreed on
Engrossed in
Section Writer
Folio
Examined by *smelby*
Compared with *on vijetke*
Ready on 15-6-07
Delivered on 18-6-07

HEMANT SETHI & CO.

PETITIONERS ADVOCATE

REGISTERED

सं 127/20

भारत सरकार

औद्योगिक और वित्तीय पुनर्निर्माण बोर्ड
वित्त मंत्रालय

22 वॉ तल एनेक्सी, जवाहर व्यापार मंडल

1, टॉलस्टॉय मार्ग, नई दिल्ली - 110001

दिनांक 22/11/07

फोन 23701200

टेलेक्स 031 66492

तार बी आई एन एफ आई आर ई सी (BINFIREC)

फैक्स 23701211

सेवा में

(संलग्न सूची के अनुसार)

विषय : मैसर्स. कारिण्ट टैक्सटायल प्रिंटिंग के मामले का,

मामला संख्या 127/2007

महोदय,

मुझे दिनांक 15/10/07 की कार्यवाही/आदेशों की प्रमाणित प्रति आपको सूचना तथा आवश्यक कार्रवाई के लिए भेजने का निदेश हुआ है।

भवदीय,

(सुभाष चंद)

बैंच अधिकारी (बैंच-III)

BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION

Case No.127/2000 in re: M/s. Orient Vegetexpro Ltd.

**SUMMARY RECORD OF PROCEEDINGS OF THE HEARING HELD ON
15.10.2007 BEFORE THE BENCH CONSISTING OF SMT. BINOO SEN
AND MR. PAVAN RAINA, MEMBERS**

BENCH-II

PRESENT

**Name & Designation of the
Representative(s)**

S/Shri

**M/s. Orient Vegetexpro Ltd.
(OVL)**

1. Nilesh Sharma, FCA

IDBI (OA)

R. K. Sharma, AGM

Department of Income Tax

D. R. Jain, Advocate

Central Board of Direct Taxes

D. R. Jain, Advocate

The reference of the M/s OVL based on its audited balance sheet (ABS) as on 31.3.99, was considered in the hearing held on 12.6.2000, when the Bench rejected the reference as non-maintainable on grounds of unclean hands and as its accounts did not present a true and fair picture of its affairs and could not be relied upon. The company preferred an appeal before AAIFR against BFIR order dated 12.6.2000. AAIFR vide order dated 5.10.2000 allowed the appeal and set aside the impugned order and remanded the case to BIFR for fresh consideration.

2. At the hearing held on 9.1.2001 the company was granted 15 days time to reply to the issues raised by the secured creditors at the hearing. The secured creditors were allowed further 15 days time to file their objections thereto, if any, whereafter, the Bench was to pass further orders in the matter according to law.
3. The company vide its letter dated 22.1.01 replied to the issues raised by the Bench and the secured creditors. The secured creditors too have responded to the company's aforesaid letter.
4. The Bench after observing that the reference of the company based on its ABS as on 31.3.99 was filed with BIFR on 24.1.2000 with a delay of 56 days dismissed the reference as time barred vide its order dated 22-7-03.
5. The company appealed against the order of BIFR dated 22.7.03 and AAIFR vide its order dated 8.11.2005 allowed the appeal, set aside the impugned order and remanded the case back to BIFR for further consideration according to law.
6. In the hearing held on 22.02.2007, the Draft Rehabilitation Scheme (DRS) prepared by the OA envisaging merger of the sick industrial company - OVL with M/s Jain Irrigation Systems Limited w.e.f. 01.04.2006 was examined and after deliberations, the Bench directed the OA to re-submit the DRS after rectification of the deficiencies observed in the hearing and after updation of the financial data, so that the Bench can consider circulating the same in accordance with the law.
7. Vide its order dated 29.06.2007, the Board circulated the DRS prepared by it with cut-off date (COD) as 01.04.2006 to all concerned for their consent under Section 19(2) read with Section 19(1) of the Sick Industrial Companies (Special Provisions) Act, 1985

(hereinafter referred to as 'the Act'). Short particulars of the said scheme was published in terms of the Section 18(3) of the Act in one leading national newspaper and one state level vernacular newspaper for the information of shareholders, secured / unsecured / statutory creditors, employees of the company and other involved parties, including those who are required to give consent on a time bound basis in terms of Section 19 of the Act.

8. In today's hearing convened to hear objections / suggestions to the DRS circulated by the Board on 29.06.2007, the representative for the OA submitted that they have not received any objections / suggestions to the DRS circulated. He further submitted that in terms of Section 19(2) of the Act, the consent to grant the reliefs and concessions envisaged from the State Govt. of Maharashtra, Central Excise and Custom Department and the Department of Company Affairs, New Delhi shall be deemed to have been given by these agencies.

9. The Standing Counsel for the Income Tax Department and CBDT submitted that an exemption which is provided in the Income Tax Act can be claimed by the company in the return of Income. Therefore, there is no need to mention such exemption, for example reliefs envisaged under Section 72A of the Income Tax Act in the scheme.

10. If at all, it has to be mentioned, then in that case the words 'to consider' the exemption under Section 72A of the Income Tax Act, 1961 could be added.

11. As regards the other reliefs which are not available under the Act, namely; Section 41(1), 72(3), 32, 139 read with Section 80, 43(B) and 115JB as mentioned in item code 14 para (III) sub paragraph (a), (b), (d), (e), (f), (g) and (h) may be kept for consideration of the Department.

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12. The representative for the company submitted that BIFR is the Competent Authority to provide the relief under Section 72A of the Act and for that the Income Tax Department should not be asked to consider the same. If that was done, then the benefit which would have been available to the merged entity and which was essential for the merger might not be available readily. The company would have to wait for the Income Tax Department to consider the matter and it was not the intention of the Act.

13. The Bench concurred with the views of the representative of the company and directed for incorporating a clause in the scheme as per which the company would get the benefit of Section 72A of the Income Tax Act from the date of sanction of the scheme. The Income Tax Department shall convey its decision on the other reliefs and concessions within 2 months of sanction of scheme.

14. In respect of other benefits, the Bench directed for modifying the paragraph relating to the Income Tax Department as under:

- a) To consider to exempt the Transferor company from the provisions of Section 41 (1) of the Income Tax Act 1961 in respect of relief and concessions availed by the company.
- b) To grant the Transferor company the benefit of carry forward its business losses from AY 1996-97 till the same are fully absorbed without the limitation of 8 years.
- c) To grant the Merged entity to carry forward its business losses and unabsorbed depreciation beyond the statutory period of 8 assessment years u/s 72A of the Income-tax Act from Effective Date (01.04.2006).
- d) To consider to condone the delays in filing the return of income in the past u/s 139 read with section 80 of I.T. Act, 1961 by the Transferor Company.
- e) To consider to allow the Transferor Company depreciation disallowed / unclaimed on Plant and Machinery aggregating to Rs.571 lakhs; during the AY 2000-01 to AY 2003-04 or allow the Merged entity to increase its


WDV to the extent of disallowed / unclaimed depreciation of the Transferor company.

- f) To consider to allow the benefit of expenses earlier disallowed / unclaimed (interest expenses for the current periods and prior year interest expenses) u/s 43B for the completed assessment for AY 1997-98 (Rs.32 lakhs) and AY 1998-99 (Rs.46 lakhs) and pending assessment for AY 2000-01 and thereafter.
- g) To consider to exempt the merged entity from applicability of payment of MAT u/s 115 JB of the Income Tax Act 1961 for next 5 years from A.Y. 2008-09.
- h) In the event of any liability that may have devolved as a result of disposal of appeals / assessments up to the year of merger, the department to consider to recover such amounts without penalty and interest, in six equal annual installments from Effective Date.

15. After considering the submissions made and the material on record, the Bench sanctioned the scheme with the following stipulations:-

16. The Bench sanctioned the rehabilitation scheme which shall come into effect from today in terms of section 19(3) read with section 18(4) of the Act, subject to the modifications as approved in the previous paragraphs.

17. The Sanctioned Scheme appended with these proceedings is hereby circulated for implementation by all concerned.


(PAVAN RAINA)
MEMBER


(BINOO SEN)
MEMBER

Dated: 15.11.07



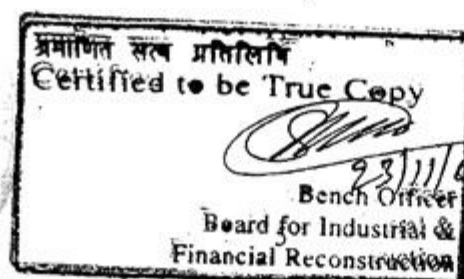
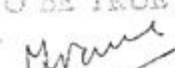


EXHIBIT TO BE TRUE COPY


Registrar
Board for Industrial and
Financial Reconstruction

