
MEMORANDUM

OF

ASSOCIATION

OF

WELSPUN CORP LIMITED



FORM LR.

CERTIFICATE OF INCORPORATION

No. 04-25609..... of 1995-96

I HEREBY CERTIFY THAT WELSPUN STAHL ROHREN LIMITED
IS THIS DAY INCORPORATED UNDER THE COMPANIES ACT, 1956
(NO. 1 OF 1956) AND THAT THE COMPANY IS LIMITED
GIVEN UNDER MY HAND AT AHMEDABAD THIS TWENTYSIXTH DAY
OF APRIL, ONE THOUSAND NINE HUNDRED NINETY FIVE.



SD/-
(V. K. PARMAR)
Asst. Registrar of Companies,
GUJARAT,
Dadra & Nagar Haveli



Co. No. 04-25609

CERTIFICATE FOR COMMENCEMENT OF BUSINESS
Pursuant of section 149 (3) of the Companies Act, 1956

I hereby certify that **WELSPUN STAHL ROHREN LIMITED** which was incorporated under the Companies Act, 1956 on the **TWENTYSIXTH** day of **APRIL, 1995** and which has this day filed a duly verified declaration in the prescribed form that the conditions of section 149 (1) (a) to (d) 149 (2) (a) to (c) of the said Act, have been complied with is entitled to commence business.

Given under my hand at **AHMEDABAD** this **12th** day of **MAY** One thousand nine hundred and **NINETY FIVE**.

SD/-

(S. N. MISRA)

Asstt. Registrar of Companies,
GUJARAT,
DADRA & NAGAR HAVELI



C o. N o. 04 - 25609

Fresh certificate of Incorporation Consequent on

C H A N G E O F N A M E

In the OFFICE OF
THE REGISTRAR OF COMPANIES
GUJARAT,
DADRA AND NAGAR HAVELI.
(Under the Companies Act, 1956 (1 of 1956)

IN THE MATTER OF

WELSPUN STAHL ROHREN LIMITED

I hereby certify that

WELSPUN STAHL ROHREN LIMITED

which was originally incorporated on 26/01/1995
under the Companies Act, 1956 and under the name

WELSPUN STAHL ROHREN LIMITED

having duly passed the necessary resolution in terms of
Section 21/31/44 of the Companies Act, 1956, on 25/01/1997
and the approval of the Central Government signifies in writing
having been accorded thereto by the Registrar of Companies,
Gujarat, vide his letter dated 26/02/1997 in terms of
Government of India, Ministry of Law, Justice, & Company Affairs,
(Department of Company Affairs) Notification No. GSR 507(E)
dated 24-06-1985 the name of the said Company is this day changed to

WELSPUN-GUJARAT STAHL ROHREN LIMITED

and this certificate is issued pursuant to section 23(1)
of the said Act.

Given under my hand at AHMEDABAD.

Dated this 26/02/1997



O.N. Pande

(O.N.PANDE)

(~~XXXXXXXXXXXXXXXXXXXX~~)
Asstt, REGISTRAR OF COMPANIES, GUJARAT
DADRA & NAGAR HAVELI.

भारत सरकार-कॉर्पोरेट कार्य मंत्रालय
कम्पनी रजिस्ट्रार कार्यालय, गुजरात, दादरा एवं नगर हवेली

नाम परिवर्तन के पश्चात नया निगमन प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : L27100GJ1995PLC025609

मैसर्स WELSPUN-GUJARAT STAHL ROHREN LIMITED

के मामले में, मैं एतद्वारा सत्यापित करता हूँ कि मैसर्स
WELSPUN-GUJARAT STAHL ROHREN LIMITED

जो मूल रूप में दिनांक छब्बीस अप्रैल उन्नीस सौ पचानवे को कम्पनी अधिनियम, 1956 (1956 का 1) के अर्तगत मैसर्स
WELSPUN STAHL ROHREN LIMITED

के रूप में निगमित की गई थी, ने कम्पनी अधिनियम, 1956 की धारा 21 की शर्तों के अनुसार विधिवत आवश्यक विनिश्चय पारित करके तथा
लिखित रूप में यह सूचित करके की उसे भारत का अनुमोदन, कम्पनी अधिनियम, 1956 की धारा 21 के साथ पठित, भारत सरकार, कम्पनी कार्य
विभाग, नई दिल्ली की अधिसूचना सं. सा. का. नि. 507 (अ) दिनांक 24.6.1985 एस्.आर.एन. A83547851 दिनांक 27/04/2010 के द्वारा
प्राप्त हो गया है, उक्त कम्पनी का नाम आज परिवर्तित रूप में मैसर्स
WELSPUN CORP LIMITED

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

यह प्रमाण-पत्र, मेरे हस्ताक्षर द्वारा अहमदाबाद में आज दिनांक सत्ताईस अप्रैल दो हजार दस को जारी किया जाता है।

GOVERNMENT OF INDIA - MINISTRY OF CORPORATE AFFAIRS
Registrar of Companies, Gujarat, Dadra and Nagar Havelli

Fresh Certificate of Incorporation Consequent upon Change of Name

Corporate Identity Number : L27100GJ1995PLC025609

In the matter of M/s WELSPUN-GUJARAT STAHL ROHREN LIMITED

I hereby certify that WELSPUN-GUJARAT STAHL ROHREN LIMITED which was originally incorporated on Twenty Sixth day of April Nineteen Hundred Ninety Five under the Companies Act, 1956 (No. 1 of 1956) as WELSPUN STAHL ROHREN LIMITED having duly passed the necessary resolution in terms of Section 21 of the Companies Act, 1956 and the approval of the Central Government signified in writing having been accorded thereto under Section 21 of the Companies Act, 1956, read with Government of India, Department of Company Affairs, New Delhi, Notification No. G.S.R 507 (E) dated 24/06/1985 vide SRN A83547851 dated 27/04/2010 the name of the said company is this day changed to WELSPUN CORP LIMITED and this Certificate is issued pursuant to Section 23(1) of the said Act.

Given under my hand at Ahmedabad this Twenty Seventh day of April Two Thousand Ten .



(RAJESH KUMAR DALMIA)

उप कम्पनी रजिस्ट्रार / Deputy Registrar of Companies
गुजरात, दादरा एवं नगर हवेली
Gujarat, Dadra and Nagar Havelli

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:
WELSPUN CORP LIMITED
Welspun City, Village Versamedi., Taluka Anjar,
Anjar - 370110,
Gujarat, INDIA



GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Ahmedabad
RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Corporate Identity Number: L27100GJ1995PLC025609

SECTION 13(1) OF THE COMPANIES ACT, 2013

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

The shareholders of M/s WELSPUN CORP LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 28-09-2020 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

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

Given under my hand at Ahmedabad this Nineteenth day of October Two thousand twenty.



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Registrar of Companies
RoC - Ahmedabad

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

WELSPUN CORP LIMITED

Welspun City, Village Versamedi,, Taluka Anjar, Anjar, Gujarat, India, 370110





सत्यमेव जयते

GOVERNMENT OF INDIA

MINISTRY OF CORPORATE AFFAIRS

Registrar of companies, Ahmedabad

RoC Bhavan, Opp Rupal Park Society Behind Ankur Bus Stop, Ahmedabad, Gujarat, India, 380013

Corporate Identity Number: L27100GJ1995PLC025609

SECTION 13(1) OF THE COMPANIES ACT, 2013

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

The shareholders of M/s WELSPUN CORP LIMITED having passed Special Resolution in the Annual/Extra Ordinary General Meeting held on 23-11-2021 altered the provisions of its Memorandum of Association with respect to its objects and complied with the Section 13(1) of the Companies Act, 2013.

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

Given under my hand at Ahmedabad this Third day of December Two thousand twenty-one.



MANOJA KUMAR SAHU

Registrar of Companies

RoC - Ahmedabad

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

WELSPUN CORP LIMITED

Welspun City, Village Versamedi,, Taluka Anjar, Anjar, Gujarat, India, 370110



THE COMPANIES ACT, 1956
(COMPANY LIMITED BY SHARES)
MEMORANDUM OF ASSOCIATION
OF
WELSPUN CORP LIMITED

- I. The name of the company is “WELSPUN CORP LIMITED”^{*1}.
- II. The Registered Office of the company will be situated in the state of Gujarat.
- III. The objects for which the Company is established are :

(A) MAIN OBJECTS OF THE COMPANY TO BE PERSUED BY THE COMPANY ON ITS INCORPORATION ARE:

1. To carry on in India or elsewhere in the world the business to manufacture, process by melting steel, Alloy steel, carbon steel and stainless steel in the form of blooms, billets, ingots, slabs ion any type of furnace and by any route and process them by hot and cold process for manufacturing of HR coils, sheets, plates, CR coils sheets and plates and manufacture welded tubes and/or pipes of all sizes of steel, stainless steel carbon steel, alloy steel by resistance welding, spiral welding or longitudinal welding i.e. Sub-merged Arc welded Galvanized coated by any material inside and outside black. Also to manufacture and process seamless tubes and/or pipes of all sizes of steel, stainless steel, carbon steel, alloy steel and non-ferrous, fin tubes for precisive finish, by extrusion, hot and cold drawing, peeling grinding, honing stretching piigering and spherodized annealing and manufacturing for specific end use for transportation of water, gas, oil for use in auto industries, hydraulic equipments, special purpose heat exchanges for chemical, dairy, fertilizer and sugar industries, petrochemicals, pharmaceuticals power plants, thermal plants, boilers refineries, oil extrusion plants from oil seeds, rice bran and for machines tools, steel plant and other industrial establishments, also to trade, sell, purchase, deal in import export convert treat and to act as indenters agents distributors of above product.
2. To carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, the business of manufacturing, trading, marketing of all types of national and international standards of ductile iron pipe including specialized coating, heat treatment of products, fitting, valves, gratings and nodular casting.
3. To carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, the business of manufacturing, trading, marketing of iron and its by products, granulated pig iron, pig iron sintering, pellet, coke and its by products, Sponge iron,/ Direct Reduced iron, cast iron and foundry products, casting, grinding media ball, rolls, ingots, ingot moulds, cast iron pipes, steel and its by products, slabs, HR coils, CR coils, plates, billet, bloom, rebars, bars, wire

¹ * Altered vide Special Resolution passed at Extra Ordinary General Meeting held on 23.04.2010

rods, wires, structural products, flat products, galvanized products, sheets, galvanized sheets, colour coated sheet, strips, pilings, stainless steel and its products, by products and intermediate products such as power, steam, oxygen & inert gases.

4. To construct and carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, the business of ship building and ship construction, buy sale, break buy, repair, convert alter, treat, dismantle, degasify, or otherwise deal in any manner with ships, vessels, tugs, boats, ocean going vessels, harbors, crafts, pontoons, barges, dredgers, and any other floating structure or any part thereof, whether for passenger or cargo transportation and to act as designer, engineer, manufacturer, assembler and erector of various mechanical, structural, electrical and electronic equipment, fittings, piping, cabling, including refrigeration, ventilation, air-conditioning, instrumentation, all types machinery, implements and hardware required for marine, offshores, harbors, ports and ancillary services and to sell, transfer, lease or otherwise dispose of scrap material, machinery, equipment, implements, engineering goods, wooden and steel structures, hardware and hardware and hollow ware made of metal and to undertake and execute any contracts for works involving the supply or use of machinery and to acquire any business, which is engaged in the aforesaid activities.
5. To carry on, in India or elsewhere in the world, directly or indirectly through subsidiaries, joint ventures, associations, partnerships or any combination thereof, all or any of the business of industrial mechanical, engineers and manufactures, fabricators, erectors, founders and dealers or manufacturing of industrial equipment, process plant and equipment, wind tower, container, monopiles, gravity base, jacket floating types and other associated structures such as transition pieces for wind tower and to carry on and operate workshop and foundries for casting Iron, steel and stainless steel, copper, aluminum, brass and other metals and any other substances.
6. To carry on business to manufacture, produce, process, excavate, quarry, melt, mould, roll, commercialize, cold, clean, cure, treat, mix and manipulate alloy, special steels, stainless steel, cold and hot rolled steel, all types of materials required for manufacture of alloy, tool and special steels, steel casting fabricating, smelting, rolling and forging, steel and alloy steel billets and all kinds and sizes of re-rolled sections, i.e., flats angles, rounds, T. Iron, squares, hexagons, octagons, rails, joints, channels, steel strips, sheets, plates, deformed bars, plain and cold twisted bars, bright bars, shafting's and steel structure.
7. To manufacture produce, install, commission, operate, prepare, pay, import, buy, sell, supply, distribute or otherwise deal in all energy production and conversion activities in all its forms inclusive of but not restricted to various renewable sources like solar energy, wind energy, all forms of biomass, geothermal energy, hydel energy, tidal and wave energy, hydrogen energy as also effective and efficient utilization of conventional energy forms like coal, oil, gas, electricity and all equipment that may be associated with such energy related activities.
8. To carry on in India or elsewhere in the world the business to design manufacture, build connect, convert, treat, repair, bend clean, alter, assemble, store, warehouse, buy, market sell, import, export, take or kinds let on hire, lease and otherwise deal in machinery and plants of all descriptions and all or any part thereof of accessories thereto required for the purpose of chemical, petrochemicals, pharmaceuticals, fertilizers, sugar, dairy, metallurgical and textile engineering treat and to act as indenters, agents distributors of above product or any other purpose whatsoever.

9. To carry on in India and elsewhere in the world all or any of the business of industrial mechanical, engineers and manufactures, fabricators, erectors, founders and dealers or manufacturing of industrial equipment, process plant and equipment, waste water treatment systems for different industries, implements, regulators, recorders, components, spares and machinery chemical plants of all kinds, plants, graphite equipment appliance and to carry on and operate workshop and foundries for casting Iron, steel and stainless steel, copper, aluminium brass and other metals and any other substances.²
10. ³To carry on the business of mining, quarrying, prospecting, exploring, opening and working, deriving, discovering, searching, refining and preparing for drill and sink shafts or well and to pump, raise, dig and quarry for oil, petroleum and other ores & minerals and the business of procuring, developing and supplying technical know-how, patent, inventions, drawings, designs, and other scientific formulae, and processes for the manufacture of processing or erection of machinery or plant for such manufacturing and processing and for the working of mines, oil wells and other sources of minerals and deposits and for search and discovery and testing of mineral deposits and of rendering services in connection with the provisions of such technical know-how.
11. To carry on the business as manufacturers of, and dealers in all kinds of polymer and polymer products and raw materials used for the manufacture of polymer, custom moulded products which are used by the polymer processing industries to convert polymer in desired semi-finished or finished forms and components, assemblies, replacement parts, spare parts, accessories, tools and implements made from polymers for all kind of vehicles, and pipes & other hollow tubular structures used for storage and transportation of fluid and other materials.
12. To carry on the business as manufacturers of and dealers in water treatment equipment, effluent treatment equipment, pollution control equipment and other equipments useful for controlling and regulating the working of factories and industries reducing hazards to the person and property of human beings arising out of the working of such factories and industries.
13. To carry on the business of manufacturing, fabricating and dealing in as wholesalers, retailers, general merchants, commission agents, concessionaries, exporters, importers and traders in all types of building and construction materials, equipment, machineries and technologies.⁴

(B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECT ARE

1. To acquire and takeover any business or undertaking carried on, upon or in connection with/without any land or building which the Company may desire to acquire as aforesaid or become interested in and the whole or any of the assets and liabilities of such business or undertaking and to carry on the same or to dispose or remove or put an end thereto.

² Main Objects Clause III (A)(1), III (A)(1-A) to III (A)(1-F), III (A)(2) and III (A)(3) renumbered as III (A)(1) to III (A-9) vide the special resolution passed at the Extra Ordinary General Meeting held on 23.11.2021

³ Other Objects Clause (III)(C)(65) to III(C)(67) consolidated and shifted as Main Object Clause III(A)(10) vide the special resolution passed at the Extra Ordinary General Meeting held on 23.11.2021

⁴ Objects Clause (III)(A)(11) to III(A)(13) inserted vide the special resolution passed at the Extra Ordinary General Meeting held on 23.11.2021.

2. To undertake research work in professional, technical and commercial education for renovating teaching methods and teaching aids or otherwise.
3. To form, promote, subsidize, organize and assist or aid in forming, promoting, subsidizing, organizing or aiding companies, syndicates and partnerships of all kinds for the purpose of acquiring and undertaking any properties and liabilities of this Company or for advancing directly the objects thereof, which this Company may think expedient.
4. To acquire for and/or give to any person, firm or body corporate incorporated whether in India or elsewhere, technical Information, know-how, processes, engineering, manufacturing and operating data, plans, lay outs and the blue prints useful for the design, erection operation of plant required for any of the businesses of the Company and to acquire any grant or licenses and other rights and benefits in the forgoing matters and things.
5. To grant awards, prizes, medals, certificates and other recognition for having completed the training given by this company or otherwise.
6. To invest any moneys of the company not immediately required for the purpose of its business in such investments or securities as may be thought expedient, including securities issued and/or guaranteed by Central or State Government, Corporations, Trusts and Financial Institutions.
7. To carry out in any part of the world all or any part of the Company's objects as principal, agent, factor, contractor either alone or in conjunction with any other person, firm, association, corporate body, Municipality province, states or Government or colony or colony or dependency thereof.
8. To secure or discharge any debt or obligation of or binding on the Company in such manner as may be thought fit and in particular by mortgage, charges upon the undertaking and all or any of the assets and properties (present and future) and the uncalled capital of the Company or by creation and issue on such terms as may be thought expedient of debentures, debenture-stock or other securities of any description or by the issue of shares credited as fully or partly paid up.
9. To purchase or otherwise acquire, sell dispose of concerns and undertakings mortgages, charges, annuities for certain period or on deferred basis, patents, licenses, securities, concessions, polices, book debts and claims, any interest in real or personal property and any claims against such property or against any person or company.
10. To amalgamate, enter into partnership or into any arrangements for sharing profits or losses, union of Interest, co-operation, joint ventures or reciprocal concessions with any person or company carrying on or engaged in or about to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the company and to give or accept by way of consideration for any of the acts or things aforesaid or properties acquired, any share, debentures, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debentures, debentures-stock or securities so received.
11. To start, finance or participate in export based industries, negotiate, enter into agreements and contracts or collaborate with Indian and foreign companies, firms and individuals for getting

or supplying and procuring technical assistance know-how in the marketing, manufacturing, importing and exporting of any of the products.

12. To become member of and to communicate with Chamber of Commerce and other mercantile and public bodies throughout the world and to advise on concert, promote and support measures for the protection, advancement, growth of commerce and industry and for protection and welfare of persons engaged therein.
13. To take or hold mortgages, liens and charges, to secure the payment of the purchase price or any unpaid balance of the purchase price of any part of the Company's property of whatsoever kind sold by the Company or any money due to the Company from the purchaser and other.
14. To contract with lease holders, borrowers, lenders, annuitants and other for the establishment, accumulation, provisions and payment of sinking funds, renewal funds, redemption funds and any other special funds and that either in consideration of lumpsum or of annual premium or otherwise and generally on such terms and conditions as may be arranged.
15. To undertake and execute any trust or discretion the undertaking whereof may seem desirable and the distribution amongst the beneficiaries, pensioners or other persons entitled to thereof, any income, capital, annuity or other sums or moneys or other properties whether periodically or otherwise and whether in money or in specie in furtherance of any, trust, discretion or other obligation or permission.
16. To lend money to and guarantee the performance of the obligations of and the payment of interest on any stocks, shares and securities of any company, firm or person in any case in which such loan or guarantee may be considered likely directly or indirectly to further the objects of this Company and generally to give any guarantee whatsoever which may be deemed likely, directly or indirectly, to bank to benefit the Company or its members.
17. To train and get trained to and/or pay for training for the employees both present and future, for and in connection with the business of the Company.
18. To hold, administer, realize, Invest, dispose of the moneys and propertied, both real and personal and to carry on sell, realize, dispose of and deal with any estate of which the Company is executor or administrator or in any trust of which the Company is the Trustee or of which the company is administrator or in any trust of which the Company is trustee or administrator, receiver, liquidator or agent.
19. To make deposit, enter into recognised bonds and otherwise give security for the execution of the offices and performance of the duties of executors administrators and trustees, receivers, liquidators and agents.
20. To take such steps as may be necessary to give the Company the same rights and privileges in any part of the world as are possessed by local companies or partnership of a similar nature.
21. To apply for tender, purchase or otherwise acquire any contracts, sub contracts, licences 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.

22. To dedicate, present or otherwise dispose of either voluntarily or for value any property of the Company deemed to be of national, public or local interest to any national trust, public body, museum, corporation or authority or any trustees for or on behalf of the same or on behalf of the public.
23. To promote, assist or take part and appear or lead evidences before any commission, investigation, inquiry, trial or hearing whether public or private relating to matters connected with any trade, business of the public.
24. To promote co-operation, hold conferences, organize and participate in meetings, maintain bureau, carry on correspondence, arrange discussions, symposiums and debates, prepare statements, reports and articles relating to any and all matters of interest to the company.
25. To acquire by purchase, lease, assignment or otherwise lands, tenements, buildings, basements, rights and advantages of any kind whatsoever and to resell, mortgage and let on lease the same.
26. To sublet all or any of the works, contracts from time to time and upon such terms and conditions as may be through expedient.
27. To form, manage, join or subscribe to any syndicate, pool or cartel.
28. Subject to the provisions of the Companies Act, 1956 to distribute among the members in specie any property of the Company or any proceeds of sale of disposal of any property in the event of winding up.
29. To enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise or any person or Company that may seem conducive to the Company's objects or any of them and to obtain from any such Government authority, person or company any rights, privileges, charters, licenses and concession which the Company may think fit and desirable to obtain and to obtain and to carry out, exercise and comply therewith.
30. To apply for, promote and obtain any act, charter, order, regulation, privilege, concession, license or authorization of any government, State of municipality or any authority or any corporation or any public body which may be empowered to grant for enabling the Company to carry on its objects into effect or for extending any of the powers of the company or for affecting any modification of the company's constitution or for any other purpose which may seem expedient and to appose any bills, proceedings, applications which may seem calculated directly or indirectly to prejudice the company's interest and to appropriate any of the Company's shares, debentures, debenture-stock or other securities and assets to defray the necessary costs, charges and expenses thereof.
31. To apply for, purchase or otherwise acquire, use, protect and renew in any part of the world any patents, patent rights, brevets invention, trade-marks, designs, licenses, copy rights, 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 of acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights.

32. To establish, provide, maintain, conduct or otherwise subsidize, assist research laboratories and experimental workshops for scientific and technical researches and experiments and to undertake and carry on the scientific and technical researches, experiments and tests of all kinds and to promote studied and research, both scientific and technical, investigations and inventions by providing, subsidizing, endowing or assisting laboratories, workshops, libraries, the remuneration of scientific or technical professors or teachers and by providing for the award of scholarship, 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 businesses which the company is authorized to carry on.
33. To make donations to such persons or institution either of cash or any other assets as may be thought directly or indirectly conducive to any of Company's objects or otherwise and in particular to remunerate any person or corporation introducing business to this Company and also to subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, religious or benevolent, national, public, cultural, educational or other institutions or objects or for any exhibitions for any public, general or other objects.
34. To establish, aid, support or/and in the establishment and support of associations, institutions, funds, trusts, private or public, for the benefit of its employees or ex-employees, Directors, Ex-directors of the company or its connections in business and for persons having dealings with the Company or the dependents, relatives or connections of such persons and in particular friendly or other benefit societies and grant pensions, allowances, gratuities and bonuses either by way of annual payment of lumpsum and to make payment towards insurance and to form and contribute to provident and other benefit funds for such persons and to provide for the welfare of Directors, Ex-directors families of the dependents or connections of such persons by building or contributing to the building of houses, dwellings or chawls or by grant of moneys, pensions, allowances, bonuses or other payments and to provide or subscribe or contribute towards places of instructions and recreations, hospitals, dispensaries, holiday-homes, medical and other attendance and other assistance as the Company shall think fit.
35. To refer or agree to refer any claims, demands, disputes or any other questions by or against the Company or in which the Company is interested or concerned and whether between the Company and the members or members or his or their representatives or between the Company and third parties to arbitration in India or any places outside India and to observe and perform awards made thereon and to do all acts, deeds, matters and things to carry out of enforce the awards, in accordance with the provisions of Indian Arbitration Act.
36. To pay all preliminary expenses of any company promoted by the Company or any company in which the Company is or may contemplate being interested and preliminary expenses may include all or any part of the costs and expenses of owners of any business or property acquired by the Company.
37. To enter into joint sector arrangements with any person body or corporate whether in India or abroad.
38. To pay, out of the funds of the Company, all expenses which the Company may lawfully pay with respect to the promotion, formation and registration of the Company or the issue of capital including brokerage and commission for obtaining applicants for taking, placing or underwriting of shares, debentures, debentures-stocks or other securities of the company.

39. To pay for any rights or properties acquired by the Company and to pay or to remunerate any person or company for services rendered or to be rendered in placing or assisting to place or guaranteeing the placing of shares in Company's capital or any debentures, debenture-stocks or other securities of the company or about the formation or promotion of the company or the acquisition of properties by the Company for the purpose of the company for the purpose of the Company whether by cash payment or by the allotment shares, debentures, debenture-stocks or other securities of the Company credited as paid-up in full or in part or otherwise as the case may be.
40. To open current or fix accounts with any bank, bankers, shroff or merchants and to pay into and draw money from such accounts and to draw, make, endorse, discount and execute all types of negotiable instruments.
41. To insure the whole or any part of the property and personnels of the Company either fully or partially, to protect and indemnify any part of portion thereof either on mutual, principal or otherwise.
42. To employ experts to investigate and examine into conditions, value, character and circumstances of any business, concerns and undertaking having similar objects and generally of any assets, properties or rights.
43. To carry on any branch of a business whether in India or outside India which this Company is authorized to carry on by means or through the agency or any subsidiary company or companies and to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on or for financing any such subsidiary, guaranteeing its liabilities or to make any other arrangement which seem desirable with reference to any business or branch so carried on including the power and provision at any time either temporarily or permanently to close any such branch or business.
44. To take part in the management, supervision, conduct and control of the business of operations of any company or undertaking having similar objects and for that purpose to appoint and remunerate the Directors, trustees, accountants or other experts, personnels or agents for any such operations or purposes.
45. To purchase, take on lease or exchange, hire or otherwise acquire and dispose of any immovable or movable properties, real or personal of all kinds and of any rights or privileges which the company may think necessary or convenient for the purpose of its business and either to retain the properties so acquired for the purpose of the company's business or to turn the same to account as may seem expedient.
46. To accept as consideration for or in lieu of the whole or any part of the company's properties either land or cash or Government security or securities guaranteed by Government or shares in joint stock companies or partly the one and partly the other and such other properties or securities as may be determined by the company and to take back or acquire the properties so disposed of by repurchasing or taking lease the same at such price or prices and on such terms and conditions as may be agreed upon by the Company.
47. To let on lease or licence or on hire purchase or to lend any properties belonging to the company and to finance for the purpose of any article or articles whether made by the company or not, by way of loans or by hire purchase system.

48. To sell, purchase, mortgage, grants, easements and other rights over and in any other manner deal with the undertakings, properties, assets, both movable and immovable, rights, effects of the company or any part thereof whether real or personal for such consideration as the company may think fit and in particular for shares, debentures, debenture-stock, securities of any other company whether or not having objects altogether or in part similar to those of the company and to make advances upon the security of land and/or buildings and/or other properties movable and/or any interest thereon.
49. To vest any movable or immovable properties, rights or interests acquired by or belonging to the company in any person or company on behalf of or for the benefit of the company and with or without any declared trust in favour of the company.
50. To undertake and execute any contracts for works involving the supply or use of any machineries and to carry out any ancillary or other works comprised in such contracts.
51. To create any depreciation fund, reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the company or for redemption of debentures or redeemable preference shares or any other purpose whatsoever conducive to the interest of the company.
52. To accept donations, gifts with such conditions, restrictions, obligations, stipulations and liabilities as are not derogative to the provisions of the law.
53. To alienate, transfer, gift donate, settle any property of the company with or without consideration to any person including any trust whether public or private, discretionary or specific either by revocable or irrevocable transfer or settlement and upon such terms and conditions as the company may deem fit.
54. To explore, examine, investigate, test, make, experiment, obtain report, opinion of experts, certificates, analysis, surveys, plans, descriptions and information in relation to may propose to acquire or become interested in or may propose to acquire or with the view of discovering properties or rights which company may acquire or become interested in and to engage, employ, pay fees to retain the services of and send to any part of the world agents, explorers, technical experts, engineers, lawyers and counsels.
55. To adopt such means of making known the business/activities of the company as may seem expedient and in particular by advertising in the press, by circulars, by publications of books and periodicals and by granting prizes, rewards and donations.
56. To undertake, carry out, promote sponsor, contribute or assist in any activity, project for rural development including any programme for promoting the social and economic welfare of or the upliftment of the people in rural area irrespective whether the company has any business dealings in such areas or not and to incur any expenditure or use any of the assets and facilities of the company on any programme or project or activity of rural development and to assist execution and promotion thereof either directly or in association with any other company or person or organization or through an independent agency or in any manner as the company may deem fit in order to implement any of the projects or programmes or activities of rural development, to transfer without consideration or at such fair or concessional value and divert the ownership of the properties of the company to or in favour of any public or local body, authority, Central of State Government or any public institution or trust or fund.

57. To raise or borrow money from time to time for any of the purposes and objects of the company by receiving advances of any sum or sums with or without security upon such terms as the Directors may deem expedient and in particular by taking deposits from or open current accounts with any individual or firms including the agents of the Company, whether with or without giving the security or by mortgaging or selling or receiving advances on the sale of any lands, buildings, machineries, goods or other properties of the company or by the issue of the debentures or debenture-stocks, perpetual or otherwise, charged upon all or any of the company's properties (both present and future) including its uncalled capital or by such other means as Directors may in their absolute discretion deem expedient.
58. Subject to Section 58-A of the Companies Act and Rules made thereunder and directors issued by Reserve Bank of India , to borrow, raise or secure the payment of money to or receive money and deposit as time deposit or otherwise at interest for any purpose of the company and at such time or times and in such manner as may be thought fit and in particular by the creation and issue of the debentures or debenture-stock, bonds, shares credited as fully or partly paid up, obligations, redeemable annualties of all kinds, either perpetual or otherwise, either redeemable annualties in as and by way of securities for any such moneys so borrowed, raised or received or of any such debentures, debenture-stocks, bonds, obligations, mortgages, charges and securities of all kinds, either so issued to mortgage, pledge or charge the undertaking or whole or any part of the properties, rights, assets or revenue and profits of the company, present or future, including its uncalled capital or otherwise howsoever by trust, special assignment or otherwise or to transfer or convey the same absolutely or in trust and give the lenders powers as may seem expedient and to purchase, redeem or pay off any such securities. The company shall not carry on business of banking as defined by the Banking Regulations Act, 1949.
59. To give and transact every kind of guarantee and in particular to guarantee the payment of any principal monies, interest or other monies unsecured or secured by or payable under or in respect of any loan, promissory notes, bonds, debentures, debenture stocks, contracts, mortgages, charge, obligation instruments and securities of any company or of any authority, supreme, municipal, local or otherwise or any person whosever whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations in connection with the business of the company.
60. To lend and advance money or give credit to such persons or companies and on such terms as may seem expedient and in particular to customers, companies and other having dealings with the company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities on behalf of the company or to provide any security in connection on with a loan(s) made by any other person, or company to any other person or any body corporate.
61. To enter into technical or commercial collaboration or agreement or co-ordination with foreign firms, companies or persons on such terms and conditions including payment of royalty and/or to acquire or to allot shares, debentures, bonds/obligations or security by original subscription or by equity participation as the Board of Directors may think fit.
62. To enter into any arrangements with any Government or authorities, supreme, municipal, local or otherwise that may seem conducive to the company's objects or any of them and to obtain from any such Government or authorities any rights, privileges and concessions which the company may think fit desirable to obtain and to carry out exercise and to comply with any such arrangements, rights, privileges and concessions.

63. To acquire and undertake the whole or in part of the business, properties and liabilities, of any person or company carrying on any business which the company is authorized to carry on or possessed, of all properties, suitable for the purpose of the company.
64. To pay for any business, properties or rights acquired or agreed to be acquired by the company and generally to specify any obligation of the company by the issue or transfer of shares of this or in other company credited as fully or partly paid up or of debentures or other securities of this or other company.
65. To acquire any share, stocks, debentures stock, bonds, obligations or securities by original subscription, participations syndicates, tender, purchase, exchange, or otherwise to subscribe for the same either conditionally or otherwise to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

(C) **OTHER OBJECTS:** Deleted⁵

IV. The liability of the members is limited

V^{*6&7} The Authorised Share Capital of the Company is Rs.5,52,05,00,000/- (Rupees Five Hundred Fifty Two Crores Five Lakh Only) divided into 30,41,00,000 (Thirty Crores Forty One Lakh) Equity Share of Rs. 5/- (Rupees Five Only) each and 40,00,00,000 (Forty Crore) Preference Shares of Rs.10/- (Rupees Ten Only) each.

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⁵ Other Objects Clause (III)(C) deleted vide the special resolution passed at the Extra Ordinary General Meeting held on 23.11.2021

⁶ * Altered pursuant to the Order dated May 10, 2019 passed by the Hon'ble National Company Law Tribunal in the matter of Scheme of Amalgamation of Welspun Pipes Limited with Welspun Corp Limited and their respective shareholders and creditors.

⁷ * Altered pursuant to the Order dated March 16, 2022 passed by the Hon'ble National Company Law Tribunal in the matter of Scheme of Arrangement between Welspun Steel Limited and Welspun Corp Limited and their respective shareholders.

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

	Name, addresses, descriptions, occupation and signature of the subscribers	Number of Equity Shares taken by each Subscriber	Name/s and Signature/s of the witness/es and their Address/es Description/s and Occupation/s
1.	<p>VORA ARUNKUMAR JAYANTILAL S/O. VORA JAYANTILAL JIVRAJ A/13, TULIP BUNGALOWS, OPP. T.V. TOWER STATION, UTSAV RAW HOUSE ROAD DRIVE IN ROAD AHMEDABAD-380 052</p> <p>BUSINESS Sd/- A.J. Vora</p>	<p>100 (One Hundred) Equity Shares</p>	
2.	<p>VORA ASHWIN ARUN W/O. VORA ARUN JAYANTILAL A/13, TULIP BUNGALOWS, OPP. T.V. TOWER STATION, UTSAV RAW HOUSE ROAD DRIVE IN ROAD AHMEDABAD-380 052</p> <p>BUSINESS SD/- A.J. VORA</p>	<p>100 (One Hundred) Equity Shares</p>	<p>COMMON WITNESS ASHWIN SHAH S/O.AMRUTLAL D.SHAH 22, DOLLY COMPLEX STADIUM CIRCLE NAVRANGPURA AHMEDABAD-380052 OCC. : COMPANY SECRETARY SD/- A.A.SHAH</p>
3.	<p>RUMEER ASHWIN SHAH S/O. ASHWIN AMRUTLAL SHAH 21, DOLLY COMPLEX STADIUM CIRCLE, NAVRANGPURA AHMEDABAD-380 009</p> <p>STUDY SD/- RUMEER SHAH</p>	<p>100 (One Hundred)</p>	
4.	<p>NEHA ASHWIN SHAH W/O. ASHWIN SHAH 13, SAKET ROW HOUSES MEMNAGAR, AHMEDABAD-380 052</p> <p>OCC. : BUSINESS SD/- NEHA SHAH</p>	<p>100 (One Hundred)</p>	
<p>I hereby declare that the 1st & 2nd subscribers have subscribed in their own handwritings. The Age of 3rd subscriber is 20 years. Sd/- Jignesh</p>			

	Name, addresses, descriptions, occupation and signature of the subscribers	Number of Equity Shares taken by each Subscriber	Name/s and Signature/s of the witness/es and their Address/es Description/s and Occupation/s
5.	<p>NIKHIL VINOD SHAH S/O. VINODCHANDRA SHAH M 73/435 PRAGATINAGAR NARANPURA, AHMEDABAD-13</p> <p>SERVICE SD/- N.V. SHAH</p>	100 (One Hundred)	<p>COMMON WITNESS ASHWIN SHAH S/O.AMRUTLAL D.SHAH 22, DOLLY COMPLEX STADIUM CIRCLE NAVRANGPURA AHMEDABAD-380052 OCC. : COMPANY SECRETARY SD/- A.A.SHAH</p>
6.	<p>JIGNESH BHARATBHAI DAVE S/O. BHARATBHAI K. DAVE D-26, TULSIKUNJ GHODASAR – 380 050 AHMEDABAD</p> <p>STUDY SD/- J.B. DAVE</p>	100 (One Hundred)	
7.	<p>KIRIT HARISHANKAR TRIVEDI S/O HARISHANKAR TRIVEDI 105, SOHAM SQUARE CHAITANYANAGAR SOCIETY NAVJIVAN, AHMEDABAD-380 014</p> <p>CHARTERED ACCOUNTANTS SD/- KIRIT TRIVEDI</p>	100 (One Hundred)	
	Total	700 (Seven Hundred)	

The age of the 6th subscriber is 21 years.

Place : Ahmedabad

Dated this 26th day of April, 1995.

ARTICLES OF ASSOCIATION

OF

WELSPUN CORP LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the 19TH Annual General Meeting held on September 25, 2014 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

Table 'F' Not to Apply

1. (a) The regulations contained in the Table marked "F" in Schedule I of the Companies Act, 2013 (hereinafter called the Act or the said Act) shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

Company To Be Governed By These Articles

- (b) The regulations for the management of the Company and for the observance of the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by Section 14 of the Act, be such as are contained in these Articles.

INTERPRETATION

Headings Not Authoritative

2. (a) The headings used in these Articles shall not affect the construction hereof.

Interpretation Clause

In the Interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context :

'The Company' or 'This Company'

The Company" or "This Company" means "WELSPUN CORP LIMITED", Public Company incorporated under the Companies Act, 1956.

'The Act'

"The Act" or "The said Act" means the Companies Act, 2013 (Act 18 of 2013) and the rules, notifications, clarifications, circulars and orders issued thereunder and subsequent amendments thereto or any statutory modifications or re-enactments thereto or any statutory modifications or re-enactments thereof for the time being in force.

"Affiliate"@

"Affiliate" means, in relation to any Person, any entity Controlled, directly or indirectly, by that Person, or any entity that Controls, directly or indirectly,

@Altered vide a special resolution dated

that Person, or any entity under common Control with that Person;

August 13, 2011

“Annual Business Plan”@

“Annual Business Plan” means the region-wise annual revenue plan and the annual project plan comprising, *inter alia*, the projected growth plan and the detailed expenditure and investment plan for the relevant Financial Year;

@Altered vide a special resolution dated August 13, 2011

“Applicable Law”@

“Applicable Law” means all applicable laws, bye-laws, statutes, rules, regulations, orders, ordinances, notifications, protocols, treaties, codes, guidelines, policies, notices, directions, writs, injunctions, judgments, decrees or other requirements or official directive of any court of competent authority or of any competent Governmental Authority, including any International Trade Governmental Authority, or Person acting under the authority of any competent Governmental Authority of the Republic of India, including any International Trade Governmental Authority;

@Altered vide a special resolution dated August 13, 2011

‘Alter And Alteration’

“Alter” and “Alteration” shall include the making of additions and omissions;

‘Annual General Meeting’

“Annual General Meeting” means a general meeting of the members held in accordance with the provisions of Section 96 of the Act and adjourned holding thereof;

‘Articles’

“Articles” means the Articles of Association of the Company as originally framed or as altered from time to time;

‘Auditors’

“Auditors” means and includes those persons appointed as such for the time being by the Company;

“Board or “Board of Directors”

“Board” or “Board of Directors” mean a meeting of the Directors duly called and constituted, or as the case may be, the Directors assembled at a Board either in person or through electronic mode, or the requisite number of Directors assembled at a Board either in person or through electronic mode, or the requisite number of Directors entitled to pass a circular resolution in accordance with these Articles, or the Directors of the Company collectively;

“Body Corporate” of “Corporation”

“Body Corporate” or “Corporation” includes a Company incorporated outside India but does not include:

- (i) a co-operative society registered under any law relating to co-operative societies; and
- (ii) any other body corporate (not being a Company as defined in the Act) which the Central Government may, by notification in the Official Gazette, specify in this behalf;

“Capital”

“Capital” means the Share Capital for the time being raised or authorized to be raised, for the purpose of the Company;

“Charter Documents” @

“Charter Documents” means the Memorandum of Association and the Articles of Association of the Company;

@Altered vide a special resolution dated August 13, 2011

“Company”

“Company” means “WELSPUN CORP LIMITED” a public company incorporated under the Companies Act, 1956;

“Controlling”, “Controlled by” or “Control” @

“Controlling”, “Controlled by” or “Control” with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person whether through the ownership of voting securities, by agreement or otherwise, or the power to elect more than one-half of the directors, partners or other individuals exercising similar authority with respect to such Person;

@Altered vide a special resolution dated August 13, 2011

“Corporation”

“Corporation shall be include a Company whether incorporated and formed under the Act or not;

“Debentures”

“Debentures” include debenture-stock, bonds and other instruments of the Company evidencing debt, whether constituting a charge on the assets of the Company or not;

“Directors”

“Directors” means the Directors for the time being of the Company or, as the case may be, the Directors assembled at a meeting of the Board either in person or through electronic mode or acting by Circular Resolution under the Articles;

“Dividend”

“Dividend” includes any interim dividend;

“Document”

“Document” includes summons, notice, requisition order, declaration form and registers, whether issued, sent or kept in pursuance of this or any other law for the time being in force or otherwise, maintained on paper or in electronic form;

“Equity Shares” @

“Equity Shares” mean the equity shares of the Company, having a face value of Rs. 5 (Rupees Five) each;

@Altered vide a special resolution dated August 13, 2011

“Extraordinary General Meeting”

“Extraordinary General Meeting” means general meeting of the members

other than Annual General Meeting duly called and constituted and any adjourned holding thereof;

“Financial Statements”[@]

“Financial Statements” shall mean, the financial statements of the Company prepared in accordance with Applicable Law and shall include without limitation, the balance sheet as at the end of the financial year and profit and loss account for the financial year, the cash flow statement for the financial year, the notes to the financial statements, directors report, the auditor’s report and all disclosures as prescribed in Schedule II of the Act, a statement of changes in equity; and any explanatory note annexed to, or forming part of any of these documents;

@Altered vide a special resolution dated August 13, 2011

“GDRs”[@]

“GDRs” means global depository receipts issued by the Company by whatever name called created by foreign depository outside India and authorized by the Company making an issue of such GDRs;

@Altered vide a special resolution dated August 13, 2011

“Gender”

Words importing the masculine gender also include, where the context requires or admits, the feminine gender;

“INR or Rs”[@]

“INR or Rs” means the Indian Rupees;

@Altered vide a special resolution dated August 13, 2011

“Managing Director”

“Managing Director” means a Director who by virtue of an Agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management;

“Meeting” or “General Meeting”

“Meeting” or “General Meeting” means a meeting of Members;

“Member”

“Member” means (i) the subscriber to the memorandum of the Company who shall be deemed to have agreed to become member of the Company, and on its registration, shall be entered as member in its register of members; (ii) every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company; (iii) every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository;

“Memorandum”

“Memorandum” means the Memorandum of Association of the Company as originally framed or as altered from time to time;

“Month”

“Month” means a calendar month;

“National Holiday”

“National Holiday” means and includes a day declared as national holiday by the Central Government.

“Office”

“Office” means the Registered Office for the time being of the Company;

“Ordinary Resolutions”

A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands or on a poll, as the case may be in favor of the resolution (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting;

“Paid-Up Share Capital “or “Share Capital Paid-Up”

“Paid-Up Share Capital “or “Share Capital Paid-Up” means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid-up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the Company, but does not include any other amount received in respect of such shares, by whatever name called;;

“Person” @

“Person” includes any individual, partnership, corporation, company, Governmental Authority, unincorporated organization, association, trust or other entity (whether or not having a separate legal entity);

@Altered vide a special resolution dated August 13, 2011

“Plural Number”

Words importing the plural number also include, where the context requires or admits, the singular number, and vice-versa;

“Promoters” @

“Promoters” means Mr. B. K. Goenka, Mr. Rajesh Mandawewala, Mrs. Dipali Goenka, B. K. Goenka Family Trust, Welspun Wintex Ltd, Welspun Mercantile Ltd, Welspun Fintrade Ltd, Krishiraj Trading Ltd, Welspun Investments & Commercial Ltd, Methodical Investment & Trading Company Pvt. Ltd., Welspun Syntex Ltd, Welspun Zuchhi Textile Ltd and/or Welspun Steel Ltd and shall include any Affiliate of any of the foregoing persons or any entity within the same “group” as defined under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

@Altered vide a special resolution dated August 13, 2011

“Promoters’ Affirmative Vote Items”@

“Promoters’ Affirmative Vote Items” means the following:

@Altered vide a special resolution dated August 13, 2011

- (i) Undertaking any new line of business or causing or permitting the cessation of carrying on a material part of business or Amending the

- Memorandum or AOA;
- (ii) Issuance, sale, buy-back, redemption, alteration, or reorganization of share capital or otherwise any action that results in a change in the equity structure or any change to the terms of any equity or convertible securities or undertaking any listing or de-listing of the equity or other securities on any stock exchange;
 - (iii) Approve, adopt, alter, revise the business plan or budget, incur any capital expenditure where the amount involved (whether in cash or otherwise), individually exceeds) INR 250,000,000 (Indian Rupees two hundred fifty million) or in the aggregate, in any financial year , exceeds INR 1,000,000,000 (Indian Rupees one billion) or invest in shares or securities or interest in any other entity or granting any loans or advances or giving any guarantees or indemnities other than, in the ordinary course of business, or investment in fixed deposits and debt mutual funds;
 - (iv) Any sale, transfer, mortgage, creation of a charge, pledge or other disposal of all or any of the assets (including fixed, financial, shares, securities and intellectual property) or undertakings except those which are undertaken in the ordinary course of business consistent with past practice or except where the book value is less than (i) INR 50,000,000 (Indian Rupees fifty million) in case of individual sale, transfer, mortgage, creation of a charge, pledge or other disposal and: (ii) INR 250,000,000 (Indian Rupees two hundred fifty million) in the aggregate in any financial year or any transfer of or license any brand name, trade mark or any other intellectual property, other than licensing to service providers in the usual course of business;
 - (v) Incurring any indebtedness or amending the terms of any indebtedness of an amount in excess of INR 250,000,000 (Indian Rupees two hundred fifty million) or in excess of INR 1,000,000,000 (Indian Rupees one billion) in any financial year or entering into, amending or terminating any derivatives, foreign exchange contracts, swaps, options or similar financial instruments, except in accordance with the approved business plan;
 - (vi) Enter into, transfer, modify, sell, vest, sub-contract, terminate any (a) material contract including any contract of a value exceeding INR 100,000,000 (Indian Rupees one hundred million) or period exceeding of 1 (one) year or more or (b) license or permit granted, or creation of any material right, title, or interest in favor of any third person or commence, institute, settle, compromise, abandon or defend any legal proceeding, action, suit, arbitration, or other legal action exceeding the monetary equivalent of INR 50,000,000 (Indian Rupees fifty million);
 - (vii) Merger, de-merger, amalgamation, reconstruction, voluntary dissolution, liquidation, winding up or re-organization or enter into, terminate or amend any material joint venture or strategic partnership with any person;
 - (viii) Appointing, removing, terminating, amending the terms of the Managing Director or CEO and/or Chairman and/or any key employee being any of the departmental heads and the ten highest paid employees; and
 - (ix) Approval of financial statements, declaration of dividends or making any distributions, changing the financial year, accounting standards or

tax policies or practices other than as required under applicable law or, any change termination, appointment or amendment to the material terms of, the statutory or internal auditors;

“Promoters’ Representative”@

“Promoters’ Representative” means the representative of the Promoters who shall be entitled to exercise the voting and other rights on behalf of the Promoters and shall be B K Goenka Family Trust or such other person(s) agreed between the Promoters;

@Altered vide a special resolution dated August 13, 2011

“Promoters’ Threshold Shareholding”@

“Promoters’ Threshold Shareholding” means 12% (Twelve percent) of the issued and paid up equity share capital of the Company;

@Altered vide a special resolution dated August 13, 2011

“Proxy”

“Proxy” include attorney duly constituted under the power of attorney;

“Register of Members”

“Register of Members” means the Register of Members to be kept, pursuant to the Act maintained on paper or in electronic form;

“Registrar”

“Registrar” means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated;

“Regulations”

“Regulations” or the Company’s Regulations means the regulations for the time being for the management of the Company;

“Seal”

“Seal” means the Common Seal of the Company for the time being;

“Secretary”

“Secretary” means a Company Secretary within the meaning of Section 2(1) (c) of the Companies Secretaries Act, 1980, and includes any individual possessing the prescribed qualifications and appointed as Secretary of the Company to perform the duties which may be performed by the Secretary under the “Act” and only other ministerial or administrative duties;

“Section”

“Section” or “Sections” means a Section of the Act for the time being in force;

“Share”

“Share” means share in the Share Capital of the Company, and includes stock except where a distinction between stock and share is expressed or implied;

“Special Resolution”

A Resolution shall be a Special Resolution when –

- (i) the intention to propose the resolution as a special resolution has been duly specific in the notice calling the general meeting or other

- intimation given to the members of the resolution;
- (ii) the notice required under the Act has been duly given of the general meeting; and
- (iii) the vote cast in favor of the resolution (whether on a show of hands, or no a poll, as the case may be) by members who, being entitled so to do vote in person, or where proxies are allowed by proxy, are not less than three times the numbers of the votes, if any, cast against the resolution by members so entitled and voting.

“These Presents”

“These Presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time;

“Variation” and “Vary”

“Variation” shall include abrogation and “Vary” shall include abrogate;

“Written” and “In Writing”

“Written” and “In Writing” include printing, lithography and any other mode or modes of representing or reproducing words in a visible form or partly one and partly the other;

“Year” and “Financial Year”

“Year” means a calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act;

“Expression in the Act to bear the same meaning in Articles”

- (b) Save as aforesaid, any words or expressions defined in the Act shall, where the subject or context bids, bear the same meaning in these Articles.

Copies Of Memorandum and Articles to be Furnished by the Company

- 3. Pursuant to Section 17 of the Act, Company shall, on being so required by a member, send to him within 7 (seven) days of the requirement and subject to the payment of a fee of Rs. 100/- or such other fee as may be specified in the Rules, a copy of each of the following documents, as in force for the time being:
 - (i) The Memorandum;
 - (ii) The Articles, if any;
 - (iii) Every other agreement and every resolution referred to in Section 117(1), of the Act, if and in so far as they have not been embodied in the Memorandum or Articles.

Company’s Funds may not be Applied in Purchase of or Lent for Shares of the Company

- 4. (a) The Company shall not have the power to buy its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of Sections 100 to 104 or Section 402 of the Companies Act, 1956 or Section 66 of the Companies Act, 2013 as applicable at the time of application.
- (b) The Company shall not give, whether directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or

subscription made or to be made by any person of or for any shares in the Company or in its holding Company.

Provided that nothing in this clause shall be taken to prohibit:

- i. the provision by the Company, in accordance with any scheme approved by the Company through special resolution for the time being in force, of money for the purchase of, or subscription for fully paid shares in the Company or its holding company, being a purchase or subscription by trustees of, or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or
 - ii. the making by the Company of loans, within the limit laid down in Sub-Section (3)(c) of Section 67 of the Act, to persons (other than Directors or Key Managerial Personnel) bonafide in the employment of the Company, with a view to enabling those persons to purchase or subscribe for fully paid shares in the Company or its holding Company to be held by themselves by way of beneficial ownership.
- (c) No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed in amount, his salary or wages at that time for a period of six months.
- (d) Nothing in this Article shall affect the right of the Company to redeem any shares issued under these Act or under any previous Company Law.

4A Notwithstanding anything contained in the Articles, but subject to the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Act as amended from time to time and subject to such regulations, conditions, approvals or consents as may be laid down for the purpose, the Company shall have the power to buy-back its own securities, whether or not there is any consequent reduction of capital. If and to the extent permitted by law, the Company shall have the power to re-issue the securities so bought back.

Share Capital and Variation of Rights

5. (a)* The Authorised Share Capital of the Company is Rs.2,500,500,000 (Rupees Two Billion Five Hundred Million Five Hundred Thousand Only) divided into 304,100,000 (Three Hundred Four Million One Hundred Thousand only) Equity Shares of Rs.5/- (Rupees Five Only) each and 98,000,000 (Ninety eight million Only) Preference Shares of Rs.10/- (Rupees Ten Only) each with power to increase or reduce the capital for the time being and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, cumulative, convertible, preference, guaranteed, 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, alter, modify, amalgamate or abrogate any such rights, privileges or conditions in such a manner as may for the time being be provided for by the Articles of Association of the Company or by the law in force for the time being.
- (b) Subject to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of winding up of the Company, the holders of the equity shares shall be entitled to be

* Altered pursuant to the Order dated May 10, 2019 passed by the Hon'ble National Company Law Tribunal in the matter of Scheme of Amalgamation of Welspun Pipes Limited with Welspun Corp Limited and their respective shareholders and creditors.

repaid the amounts of capital paid up or credited as paid up on such equity shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid-up on such equity shares respectively at the commencement of the winding up.

Increase /Reduction and Alteration of Capital

6. The Company may from time to time in general meeting increase its share capital by the issue of new shares of such amounts as it thinks expedient.

On what Conditions the New Shares may be Issued

- (a). Subject to the provisions of Section 43 to 47, 55 and 62 of the Act, the new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto by the general meeting creating the same as shall be directed and if no direction be given then as the Directors shall determine and in particular such shares may be issued subject to the provisions of the said Sections with a preferential or qualified right to dividends and in distribution of assets of the Company and subject to the provisions of Section with special or without any right of voting and subject to provisions of Section 55 of the Act any preference shares may be issued on the terms that they are or at the option of the Company are liable to be redeemed.

Further Issue of Capital

- (b) Where at any time it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of the increased share capital.
- (i) such further shares shall be offered to the person who at the date of offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date.
 - (ii) the offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
 - (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice shall contain a statement of this right.
 - (iv) After the expiry of the time specified in notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they think most beneficial to the Company and members.
 - (v) Notwithstanding anything contained in the preceding sub-clause, the Company may:
 - (a) by a special resolution offer further shares to any person or persons, and such person or persons may or may not include the person/s who at the date of the offer, are the holders of the equity shares of the Company or to employees of the Company under the Scheme of employees stock option; or

- (b) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to section 62(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares, or to subscribe for shares in the Company.

Directors may Allot Shares as Fully Paid Up.

- (c) Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or, machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.

Same as Original Capital

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

Power to Issue Redeemable Preference Shares

- 7. (a) Subject to the provisions of Section 55 of the Act, the Company may issue preference shares which are or at the option of the Company are to be liable to be redeemed:

Provided that :

- (i) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of redemption;
 - (ii) no such shares shall be redeemed unless they are fully paid;
 - (iii) the premium, if any, payable on redemption shall have been provided for out of the profits of the company or out of the Company's securities premium account before the shares are redeemed;
 - (iv) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed; and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act, apply as if the capital redemption reserve account were paid up share capital of the Company.
- (b) Subject to the provisions of Section 55 of the Act and subject to the provisions on which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as may be provided in these Articles or by the terms and conditions of their issue and subject

thereto in such manner as the Directors may think fit.

- (c) The redemption of preference shares under these provisions by the Company shall not be taken as reducing the amount of its authorized share capital.
- (d) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued; and accordingly, the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 403 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.

Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relates to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.

- (e) The Capital Redemption Reserve Account may, notwithstanding anything in this Article, be applied by the Company, in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

8. **Provision in Case of Redemption of Preference Shares**

The Company shall be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue and due from day to day) and in case of redemption of part of the preference shares the following provisions shall take effect :

- (a) The shares to be redeemed shall be determined by drawing of lots which the company shall cause to be made at its registered office or at such other place as the Directors may decide, in the presence of one Director at least; and
- (b) Forthwith after every such drawing, the Company shall notify to the shareholder whose shares have been drawn for redemption its intention to redeem such shares by payment at the registered office of the Company or at such other place as the directors may decide at the time and on the date to be named against surrender of the Certificates in respect of the Shares to be redeemed and at the time and date so notified each such shareholder shall be bound to surrender and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The Shares to be redeemed shall cease to carry dividend from the date named for payment as aforesaid. Where any such certificate comprises any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh certificate therefore.
- (c) Subject to the provisions of the Articles, the Company shall be entitled to

create and issue further Preference Shares ranking in all or any respects *pari passu* with the preference shares then outstanding. PROVIDED in the event of its creating and/or issuing further preference shares ranking *pari passu* with the Preference Shares then outstanding the Company would do so only with the consent of the holders of not less than three-fourths of the preference shares then outstanding.

- (d) The Redeemable Preference Shares shall not confer upon the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47 of the Act.
- (e) The rights, privileges and conditions for the time being attached to the Redeemable Preference Shares may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act.

Cumulative Convertible Preference Shares

9. Subject to the provisions of the Act and the guidelines issued by the Central Government from time to time under the Provisions of the Act, the Company may issue Cumulative Preference Shares (CCP) in such manner as the Board of Directors of the Company may decide and specifically provide for :

- (i) the Quantum of issue;
- (ii) the terms of the issue with particular reference to the conversion of CCP into the equity shares of the company;
- (iii) the rate of cumulative preferential dividend payable on CCP, the voting rights to be attached to CCP and any other terms and conditions which may be attached to the issue of CCP as permissible in law

Reduction of Capital

10. The Company may from time to time by special resolution, subject to confirmation by the Court or Tribunal as applicable and subject to the provision of Sections 52, 55 and 66 of the Act or Section 100 - 104 of the Companies Act, 1956 as applicable at the relevant time reduce its share capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorized by law in particular without prejudice to the generality of the power may be:

- (a) extinguishing or reducing the liability on any of its shares in respect of shares capital not paid up;
- (b) either with or without extinguishing or reducing liability on any of its shares, cancel paid up share capital which is lost or is unrepresented by available assets; or
- (c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

Division, Sub-division, consolidation, Conversion and Cancellation of Shares

11. Subject to the provisions of Section 61 of the Act, the Company in general meeting may alter the conditions of its Memorandum as follows, that is to say, it may:
- (a) increase its authorized share capital by such amount as it think expeditiously;
 - (b) consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares. Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall have effect unless it is approved by the Court or Tribunal as applicable
 - (c) sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf and so however that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and so that as between the holders of the shares resulting from such sub-division one or more of such shares may, subject to the provisions of the sub-division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage over the others or any other such shares;
 - (d) convert, all or any of its fully paid up shares into stock, and re-convert that stock into fully paid up shares of any denomination;
 - (e) cancel, shares which at the date of passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

12. **Deleted**

Modification of Rights

13. If at any time the share capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise provided by the terms of issue of the share of that class) may, subject to the provisions of Sections 106 and 107 of the Companies Act, 1956 or Section 48 of the Act (as applicable) and whether or not the Company is being wound up, be varied, modified, commuted, affected or abrogated with the consent in writing of the holders of three-fourth in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at separate general meeting of the holders of the shares of that class. This Article shall not derogate from any power which the Company would have if this Article were omitted. The Provisions of these Articles relating to general meeting shall *mutates mutandis* apply to every such separate meeting but so that if at any adjourned meeting of such holders a quorum as defined in Articles 103 is not present, those

persons who are present shall be the quorum.

SHARES AND CERTIFICATES

Issue of Further Shares not to Affect Right of Existing Shareholders

14. The right or privileges conferred upon the holders of the shares of any class issued with preference 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 or modified or affected by the creation or issue of further shares ranking *pari passu* therewith.

Provisions of Section 43, 45, 46 and 47 of the Act to apply

15. The provisions of Section 43, 45, 46 and 47 of the Act in so far as the same may, be applicable shall be observed by the company.

Register of Members and Debenture holders

16. (a) The Company shall cause to be kept a Register of Members and an Index of Members in accordance with Section 88 of the Act and Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company may also keep foreign Register of Members and Debenture holders in accordance with Section 88 of the Act.
- (b) The Company shall also comply with the provisions of Sections 92 of the Act as to filing of Annual Returns.
- (c) The Company shall duly comply with the provisions of Section 94 of the Act in regard to keeping of the Registers, indexes, copies of Annual Returns and giving inspections thereof and furnishing copies thereof.

Commencement of Business

17. The Company shall comply with the provisions of Section 11 of the Act.

Restriction on Allotment

18. The Board shall observe the restriction as to allotment of shares to the public contained in Section 39 of the Act shall cause to be made the return as to allotment provided for in Section 39 of the Act.

Shares to be Numbered Progressively and no share to be subdivided

19. The shares in the capital shall be numbered progressively accordingly to the several denominations and except in the manner herein before mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

Shares at the Disposal of the Directors

20. Subject to the provisions of Section 62 of the Act and these Articles the shares in the Capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons. In such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 53 of the Act) at a discount and at such time as they may from time think fit and with the sanction of the Company in General Meeting

to give to any person the option to all for any shares either at par or at a premium during such time and for such consideration as the Directors may think, fit, and may issue and allot shares in the Capital of the Company on payment in full or part for any property sold and transferred or for services rendered to the Company in the conduct of its business, and any shares which may be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Every Shares Transferable etc.

- 21 (i) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by these Articles.
- (ii) each share in the Company shall be distinguished by its appropriate number.
- (iii) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, *prima facie*, evidence of the title of the member of such shares.

Application of Premium Received on Issue of Shares

22. (a) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of value of the premium on these shares shall be transferred to an account to be called "the securities premium account", and the provisions of the Act relating to the reduction of the Share Capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.
- (b) The securities premium account may, notwithstanding, anything in clause (a) above, be applied by the Company:
- (i) In paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares;
- (ii) In writing off the preliminary expenses of the Company;
- (iii) In writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; or
- (iv) In providing for the premium payable on the redemption of any redeemable preference shares or any debentures of the Company;
- (v) For the purchase of its own shares or other securities as provided under Section 68 of the Act.

Sale of Fractional Shares

- 23 If and wherever, as the result of issue of new or further shares or any consolidation or sub-division of shares, any shares are held by members in fractions, the Directors shall, subject to the provisions of the Act and these Articles if any, sell those shares, which members hold in fractions, for the best price reasonably obtainable and shall pay and distribute to and amongst members entitled to such shares in due proportion, the net proceeds of the sale thereof. For the purpose of giving effect to any such sale the Directors may authorize and person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see the applications of the purchase money nor shall his title to the shares be affected by any irregularity or irregularity or invalidity in the proceedings in reference

to the sale.

Acceptance of Shares

24. An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein shall be an acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose names is on the Register of Members shall for the purpose of these Articles be a member. The Directors shall comply with the provisions of Section 39 and 40 of the Act in so far as they are applicable.

Deposits and Calls etc. to be a Debt Payable immediately

25. 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, immediately, on the insertion of 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.

Company not Bound to Recognize any Interest in Shares other than of Registered Holder

26. Save as herein provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognize any benami, or partial or other claim or claims or right to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof and the provision of Section 88 of the Act shall apply.

Declarations of Person not Holding Interest in Shares

27. When any declaration is filed with the Company under the provisions of Section 89 of the Act by any holder of shares who does not hold beneficial interest in such shares specifying the particulars of the person holding beneficial interest in such shares or by a person who holds beneficial interest in any shares of the Company but is not the registered holder thereof, the Company shall make a note of such declaration in its register of members and file, within 30 days from the date of receipt of the declaration by it, a return with the registrar with regard to such declaration.

Issue of Certificates of Shares to be Governed by Section 46 of the Act etc.

28. (a) The issue of certificates of shares or of duplicate or renewal of certificates of shares shall be governed by the provisions of Section 46 and other provisions of the Act, as may be applicable and by the Rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act or Rules or any other law. The Directors may also comply with the provisions of such rules or regulations of any stock exchange where the shares of the Company may be listed from the time being.
- (b) The Certificate of title of shares shall be issued under the Seal of the Company and shall be signed by such Directors or Officers or other authorized persons as may be prescribed by Rules made under the Act from time to time and

subject thereto shall be signed in such manner and by such persons as the Directors may determine from time to time.

- (c) The Company shall comply with all rules and regulations and other directions which may be made by any competent authority under Section 46 of the Act.

Limitation of Time of Issue of Certificate

- 29. (a) Every member shall be entitled, without payment, to one Certificate for all the shares of each class or denomination registered in his name, or to several certificates, each for one or more of such shares and the Company shall complete and deliver such Certificates within the time provided by Section 56 of the Act unless the conditions of issue thereof otherwise provide. Every Certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of the shares in respect of which it is issued and the amount paid up thereon and shall be in such form as the Directors shall prescribe or approve provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one Certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.
- (b) The Company may not entertain any application for split of share/debenture certificate for less than 100 shares/debentures (all relating to the same series) or marketable lots whichever is lower.
- (c) Notwithstanding anything contained in Clause (a) above the Directors shall, however, comply with such requirements of the Stock Exchange where shares of the Company may be listed or such requirements of any rules made under the Act or such requirements of the Securities contracts (Regulation) Act, 1956 as may be applicable.

Issue of new Certificates in Place of one defaced Lost or Destroyed

- 30. If any certificate be worn out, defaced, mutilated or torn if there be no, further space on the back thereof 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 be lost or destroyed then upon proof thereof to the satisfaction of the Company and on; execution of such indemnity as the Company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under this Article shall be issued without payment of fees. Out of pocket expenses incurred by the Company in investing the evidence as to the loss or destruction shall be paid to the Company if demanded by the directors.

Provided that notwithstanding what is stated above the directors shall comply with such Rules or Regulation or requirements of any stock Exchange or the Rule made under the Act or the Rules made under Securities Control (Regulation) Act, 1956 or any other Act, on Rules applicable in this behalf.

The provisions of the Article under this heading shall *mutatis mutandis* apply to debentures of the Company.

UNDERWRITING COMMISSION AND BROKERAGE

Power to pay Certain Commission and Prohibition of Payment of All other Commission Discounts etc.

31. (A). The Company may pay a commission to any person in consideration of :
- (i) his subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in section 40 of the Act, or
 - (ii) his procuring or agreeing to procure subscriptions whether absolute or conditional for any share in or debentures of the Company, if the following conditions are fulfilled, namely :
 - (a) the commission paid or agreed to be paid does not exceed in the case of shares five percent of the price at which the shares are issued and in the case of debentures, two and half percent of the price of which the debentures are issued;
 - (b) the amount or rate percent of the commission paid or agreed to be paid, on shares or on debentures offered to the public for subscription, is disclosed in the Prospectus, and in the case of shares or debentures not offered to the Public for subscription, is disclosed in the Statement Lieu of Prospectus and filed before the payment of the commission with the Registrar and where a circular or notice not being a prospectus inviting subscription for the shares or debentures is issued is also disclosed in that circular or notice;
 - (c) the number of shares or debentures which such persons have agreed for a commission to subscribe, absolutely or conditionally is disclosed in the manner aforesaid; and
 - (d) a copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus or the Statement in Lieu of Prospectus for registration.
- (B) Save as aforesaid and save as provided in Section 53 of the Act, the Company shall not allot any of its shares or debentures or apply any of its moneys, either directly or indirectly, in payment of any commission, discount or allowance, to any person in consideration of :
- (i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any sharers in, or debentures of the Company or;
 - (ii) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any sharers in, or debentures of the Company or;
 - (iii) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for any shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid by as the nominal purchase money or contract price, or otherwise.
- (C) Nothing in this Article shall affect the power of the Company to pay such brokerage as it has hereto before been lawful for the Company to pay.

- (D) A vendor to, promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received for payment of any commission, the payment of which if made directly by the Company would have been legal under Section 40 of the Act.
- (E) The commission may be paid or satisfied (subject to the provisions of the Act and these articles) in cash, or in shares, debentures or debenture-stocks of the Company.

CALLS

Directors May Make Calls

- 32. The Directors may from time to time and subject to Section 49 of the Act and subject to the terms on which any shares/debentures 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 calls as they think fit upon the members/debenture-holders in respect of all moneys unpaid on the shares/debenture held by them respectively and each member/debenture holder shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments as may be decided by the Board. A call may be postponed revoked as the Board may determine.

Calls To date From Resolution

- 33. A call shall be deemed to have been made at the time when the resolution of the Directors authorizing such call was passed and may be made payable by members/debenture-holders on a subsequent date to be specified by the Directors.

Notice of Call

- 34. One month notice in writing shall be given by the Company of every call made payable otherwise than on allotment specifying the time and place of payment provided that before the time of payment of such call, the Directors may by notice in writing to the members/debenture-holders to revoke the same.

Directors may Extend Time

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

Sums Deemed to be Calls

- 36. Any sum, which by the terms of issue of a share/debenture becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share/debenture or by way of premium, shall for the purpose of these

Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment, 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.

Installments on Shares to be Duty Paid

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

Calls on Shares of the Same Class to be made on Uniform Basis

38. Where any calls for further Share Capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class.

Explanation : For the purpose of this provision, shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Liability of Joint Holders of Shares

39. 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.

When Interest on Call or Installment Payable

40. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof or any such extension thereof, the holder for the time being or allottee of the share in respect of which a call shall have been made or the installment shall be due, shall pay interest as shall be fixed by the Board from the day appointed for the payment thereof or any such extension thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.

Partial Payment not to Preclude forfeiture

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

Proof on Trial of Suit for Money due on Shares

42. On the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered appears in the Register of Members as the holder or one of the holders, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due, of the shares in respect of

which such money is sought to be recovered and that the resolution making the call is duly recorded in the Minutes Book; and that the notice of such call was duly given to the member of his representatives, sued in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such calls nor that a quorum of directors was present at the Board at which any call was made, nor that the meeting of which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Payment in Anticipation of Calls may Carry Interest

43. (a) The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the money due upon the shares held by him, beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, to the member paying such sum in advance and the directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividends . The Directors may at any time repay the amount so advanced.
- (b) The member shall not however be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provision of these Articles shall apply *mutatis mutandis* to the calls on debenture of the Company.

LIEN

Company's Lien on Shares/Debentures

44. The Company shall have a first and paramount lien upon all the shares and/or debentures (other than fully paid-up shares and/or debentures) registered in the name of each Member and/or debenture holder (whether held singly or jointly with others) in respect of all moneys called or payable at a fixed time in respect of such shares whether the time for payment thereof shall have actually arrived or not and shall extend to all dividends, interest right and bonuses from time to time declared in respect of such shares and/or debentures. Unless otherwise agreed, the registration of transfer of shares and/or debentures shall operate as a waiver of the Company's lien, if any, on such shares and/or debentures. The Directors may at any time declare any share and/or debenture wholly or in part exempt from the provisions of this Article.

As to Enforcing Lien by sale

45. For the purpose of enforcing such lien, the Board may sell the shares/debentures subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and/or debenture and may authorize one of their members or appoint any officer or Agent to execute a transfer thereof on behalf of and in

the name of such member/debenture holder. No sale shall be made until such period, as may be stipulated by the Board from time to time, and until notice in writing of the intention to sell shall have been served on such member and/or debenture holder or his legal representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of Proceeds of Sale

46. (a) The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the persons entitled to the shares and/or debentures at the date of the sale.
- (b) The Company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or by statute required) be bound to recognize equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The Company's lien shall prevail notwithstanding that it has received notice of any such claims.

FORFEITURE

If Call or Installment not Paid Notice must be given

47. (a) If any member or debenture holder fails to pay the whole or any part of any call or installment or any money due in respect of any share or debentures either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or any installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or debenture holder or on the person (if any) entitled to the share by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
- (b) The notice shall name a day not being less than fourteen days from the date of the services of the notice and a place or places, on and which such call, or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of call amount with interest at or before the time and at the place appointed, the shares or debentures in respect of which the call was made or installment or such part or other moneys is or are payable will be liable to be forfeited.

In Default of Payment Shares or Debentures to be Forfeited

48. If the requirements of any such notice as aforesaid are not complied with any share/debenture in respect of which such notice has been given, may at any time thereafter before payment of all calls or installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Neither the receipt by the Company of a portion

of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company. In respect of the payment of any such money, shall preclude, the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided. Such forfeiture shall include all dividends declared or interest paid or any other moneys payable in respect of the forfeited shares or debentures and not actually paid before the forfeiture.

Entry of Forfeiture in Register of Member/Debenture holders

49. When any shares / debentures shall have been so forfeited, notice of the forfeiture shall be given to the member or debenture holder in whose name it stood immediately prior to the forfeiture and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of members of debenture holders but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

Forfeited Share/Debenture to be Property of Company and may be sold

50. Any share or debenture 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 or to any other person upon such terms and in such manner as the Directors shall think fit.

Power to Annul Forfeiture

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

Shareholders or Debenture holders Still Liable to pay Money Owing, at Time of Forfeiture and Interest.

52. Any member or debenture holder whose shares or debentures have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, all calls, installments, Interest, expenses and other money owing upon or in respect of such shares or debentures at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine, and the Directors may enforce the payment of the whole or a portion thereof, if they think fit, but shall not be under any obligation to do so.

Effect of Forfeiture

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

Certificate of Forfeiture

54. A Certificate in writing under the hand of one Director and countersigned by the Secretary or any other Officer authorized by the Directors for the purpose, that the call in respect of a share or debenture was made and notice thereof given and that default in payment of the call was made that the

forfeiture of the share or debenture was made by a resolution of Directors to that effect shall be conclusive evidence of the facts stated therein as against all persons entitled to such share or debenture.

Validity of Sales under Article 43 and 50

55. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers here in above given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares or debentures sold and cause the purchaser's name to be entered in the Register of members or Register of debenture holders in respect of the shares or debentures sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money and after his name has been entered in the Register of member or debenture holders in respect of such shares or debenture the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be for damages only and against the Company exclusively.

Cancellation of Share/Debenture Certificate in Respect of Forfeited Shares/Debentures

56. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate/s originally issued in respect of the relative shares or debentures shall (unless the same shall on demand by the relative shares or debentures surrendered to it by the defaulting member or debenture holder) stand cancelled and become null and void and be of no effect, and the directors shall be entitled to issue a duplicate certificate/s in respect of the said share or debentures to the person/s entitled thereto.

Title of Purchaser and Allottee of Forfeited Shares/Debentures

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

Surrender of Shares or Debenture

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

TRANSFER AND TRANSMISSION OF SHARES AND DEBENTURES

Register of Share or Debenture

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

Form or Transfer

60. The Instrument of transfer shall be in writing and all the provisions of Section

56 of the Act, shall be duly complied with in respect of all transfer of shares and registration thereof.

Instrument of Transfer to be Executed by Transferor and Transferee

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

Directors may Refuse to Register Transfer.

62. (a) Subject to the provision of Section 58 of the Act and subject to the provisions of Securities Contract (Regulations) Act, 1956 and the rules and regulations made there under, the Directors may, at their own absolute and uncontrolled discretion, decline by giving reasons to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases Directors shall within 30 days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has alien on the shares.
- (b) Nothing in Section 56 of the Act shall prejudice this power to refuse to register the transfer of, or the transmission by operation of law of the rights to, any shares or interest of a member in, or debentures of the Company.

Transfer of Share

63. (a) An application of registration of the transfer of shares may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee and subject to the provisions of Clause (a) of this Article, the Company shall unless object is made by the transferee, within two weeks from the date of receipt of the notice, enter in the Register of members the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.
- (b) For the purpose of clause (a) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.
- (c) It shall not be lawful for the Company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the Certificate relating to the shares and if no such Certificate is in existence, along with the letter of allotment of shares. The

Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of the Company that an instrument of transfer signed by the transferor and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by the transferee and bearing the stamp required by an instrument of transfer register the transfer on such terms as to indemnify as the Directors may think fit.

- (d) Nothing in clause (c) above shall prejudice any power of the Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.
- (e) Nothing in this Article shall prejudice any power of the Company to refuse to register the transfer of any share.

Custody of Instrument of Transfer

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

Transfer Books and Register of Members when Closed

- 65. The Board shall have power on giving not less than seven days' 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, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year.

Transfer to Minors etc.

- 66. Only fully paid shares or debentures shall be transferred to a minor acting through his/her legal or natural guardian. Under no circumstances, shares or debentures be transferred to any insolvent or a person of unsound mind.

Title to Share of Deceased Holder

- 67. The executors or administrators of a deceased member (not being one or two or more joint holders) or the holder of a Succession Certificate or the legal representative of a deceased member (not being one or two or more joint holders) shall be the only persons whom the Company will be bound to recognize as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognize such executors or administrators or the legal representatives unless they shall first obtained probate or Letters of Administration or a Succession Certificate, as the case may be, from a duly constituted competent court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of probate or Letters of Administration or a Succession Certificate upon such terms as to indemnity or otherwise as the Directors in their absolute discretion may think necessary

and under Article 66 register the name of any person who claims to be absolutely entitled to the shares standing in the name of deceased member, as a member.

Registration of Persons Entitled to Share Otherwise than by Transfer

68. (a) Subject to the provisions of Article 74 any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer in accordance with these present, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that the sustains the character in respect of which he proposes to act under this Article or of such titles as the Directors shall think sufficient, either be registered himself as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as a member in respect of such shares. Provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favor of his nominee on instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be free from any liability in respect of such shares.
- (b) A transfer of the share or other interest in the Company of a deceased member thereof made by his legal representative shall although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Claimant to be Entitled to Same Advantage

69. The person entitled to a share by reason of the death lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares 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 the meeting of the Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer shares and if the notice is not compelled within sixty days, the Board shall thereafter withhold payment of all dividends, interests, bonuses or other moneys payable in respect of the share until the requirements of the notice have been compelled with.

Persons Entitled may Receive Dividend without being Registered as Member

70. (a) A person entitled to a share by transmission shall, subject to the rights of the Directors to retain such dividends, bonuses or moneys as hereinafter provided be entitled to receive, and may give a discharge for any dividends, bonuses or other moneys payable in respect of the share/debenture.
- (b) This Article shall not prejudice the provisions of Article of 45 and 56.

Refusal to Register Nominee

71. The Directors shall have the same right to refuse on legal grounds to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

Directors may require Evidence of Transmission

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

No Fees on Transfer or Transmission

73. No fee shall be charged for registration of transfer, probate, succession Certificate and Letters of Administration, Certificate of Death or Marriage, Power of Attorney or similar other documents.

The Company not liable for Disregard of a Notice Prohibiting Registration of Transfer

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

Not more than Four Persons as Joint Holders

75. The Company shall be entitled to decline to register more than four persons as the holder of any shares.

The provisions of these Articles shall *mutatis mutandis* apply to the transfer or transmission by operation of law of debenture of the Company.

JOINT HOLDERS

Joint Holders

76. Where two or more persons are registered as the holders of any share /debenture, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles.
- (i) In the case of a transfer of share/ debenture held by joint holders, the transfer will be effective only if it is made by all the joint holders.
 - (ii) The Joint holder of any share/debenture shall be liable severally as well as

jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share/debenture.

- (iii) On the death of anyone or more of such joint holders the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share/debenture, but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on share/debentures held by him jointly with any other person.
- (iv) Any one of such joint holders may give effectual receipts of any dividends, interest or other moneys payable in respect of such share/debenture.
- (v) Only the person whose name stands first in the Register of Members/Debenture holders as one of the joint holders of any share/debentures shall be entitled to the delivery of the certificate relating to such share/debenture or to receive notice (which expression shall be deemed to include all documents as defined in Article (2) (a) hereof and any document served on or sent to such person shall be deemed service on all the joint holders.
- (vi) (a) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such joint-holders be present at any meeting personally or by proxy or by attorney than that one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that joint holder present at any meeting personally shall be entitled to vote in preference to a joint-holder present by Attorney or proxy although the name of such joint holder present by an Attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares.

(b) Several executors or administrators of a deceased member in whose (deceased member) sole name any share shall for the purpose of this clause be deemed joint holders.

Borrowing Powers

77. Subject to the provisions of Section 73, 179, 180 of the Act and of these Articles and subject to any restriction imposed by Reserve Bank of India, Board of Directors, may from time to time at its discretion, by a resolution passed at a meeting of the Board, accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits 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 purpose) or up to such amount as may be approved by the shareholders from time to time the

Board of Directors shall not borrow such moneys without the sanction of the Company in General Meeting. No debt incurred by the Company in excess of the limit imposed by this Article shall be paid or effectual unless the tenderor proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.

Bonds, Debentures etc. to be subject to control of Directors.

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

Provided that bonds, debentures, debenture-stock or other securities so issued or to be issued by the Company with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting.

Securities may be Assignable free from Equities.

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

Power to issue shares at Discount

80. With the previous authority of Company in General Meeting and upon otherwise complying with the provisions of Section 53 of the Act, it will be lawful for the Directors to issue at a discount, shares of a class already issued.

Debentures with voting rights not to be issued

81. (a) The Company shall not issue any debentures carrying voting rights at any meeting of the Company whether generally or in respect of particular classes of business.
- (b) Certain charges mentioned in Section 77 of the Act shall be void against the liquidators or creditors unless registered as provided in Section 77 of the Act.
- (c) The term `charge' shall include mortgage in these Articles.
- (d) A contract with the Company to take up and pay for any debentures of the Company may be enforced by a decree or specific performance.

Limitation of Time for Issue of Certificate

82. The Company shall, within six months after the allotment of any of its debentures or debenture-stock, and within one month after the application for the registration of the transfer of any such debentures or debenture stocks have complete and deliver the Certificate of all the debentures and the Certificate of all debenture stocks allotted or transferred unless the conditions of issue of the debentures or debenture-stocks otherwise provide.

The expression `transfer' for the purpose of this clause means a transfer duly stamped and otherwise valid and does not include any transfer which the

Company is for any reason entitled to refuse to register and does not register.

Right to Obtain Copies of and Inspect Trust Deed

83. (i) A copy of any Trust Deed for securing any issue of debentures shall be forwarded to the holders of any such debentures or any member of the Company at his request and within seven days of the making thereof on payment of Rs. 50/- (Rupees Fifty) for each copy.
- (ii) The Trust Deed referred to in item (i) above also be open to inspection by any member or debenture holder of the Company in the same manner, to the same extent, and on payment of these same fees, as if it were the Register of members of the Company.

Mortgage of Uncalled Capital

84. If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favor such mortgage or security is executed.

Indemnity May be given

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

Registration of Charges

86. (a) The provisions of the Act relating to registration of charges shall be complied with.
- (b) In case of a charge created out of India and comprising solely property situated outside India, the provisions of Section 77 of the Act shall also be complied with.
- (c) Where a charge is created in India but comprised property outside India, the instrument, creating or purporting to create the charge under Section 77 of the Act or a copy thereof verified in the prescribed manner, may be filed for registration, notwithstanding that further proceedings may be necessary to make the charge valid or effectual according to the law of the country in which the property is situated, as provided by Section 77 of the Act.
- (d) Where any charge on any property of the Company required to be registered to be registered under Section 77 of the Act has been so registered, any person acquiring such property or any part thereof or any share or interest therein shall be deemed to have notice of the charge as from the date of such registration.

- (e) Any creditors or member of the Company and any other person shall have the right to inspect copies of instruments creating charges and the Company's Register of Charges in accordance with and subject to the provisions of Section 85 of the Act.

Trust not Recognized

87. No notice of any trust, express or implied or constructive, shall be entered on the register of Debenture holders.

88. **Deleted**

89. **Deleted**

90. **Deleted**

91. **Deleted**

92. **Deleted**

93. **Deleted**

GENERAL MEETINGS

94. **Deleted**

Annual General Meeting

95. Subject to the provisions contained in Section 96 and 129 of the Act, as far as applicable, the Company shall in each year hold, in addition to any other meetings, a general meeting as its annual general meeting, and shall specify, the meeting as such in the notice calling it, and not more than fifteen months shall elapse between the date of one annual general meeting of the Company and that of the next.

Time and Place of Annual General Meeting

96. Every annual general meeting shall be called at any time during business hours that is between 9 am to 6 pm, on a day that is not a National Holiday, and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situated, and the notice calling the meeting shall specify it as the annual general meeting.

Section 101 to 109 of the Act shall apply to Meeting

97. Sections 101 to 109 of the Act with such adaptation and modifications, if any as may be prescribed, shall apply with respect to meeting of any class of members or debenture holders of the Company in like manner as they would with respect to general meetings of the Company.

Powers of Directors to Call Extraordinary General Meeting

98. The Directors may call an extraordinary general meeting of the Company whenever they think fit.

Calling of Extra Ordinary General Meeting on requisition

- 99.
- (a) The Board of Directors of the Company shall on the requisition of such number of members of the Company as is specified in clause (d) of this Article, forthwith proceed duly to call an Extra-ordinary general meeting of the Company.
 - (b) The requisition shall set out the matters for the considerations of which the meeting is to be called, shall be signed by requisitionists, and shall be deposited at the registered office of the company.
 - (c) The requisition may consist of several documents in like forms, each signed by one or more requisitionists.
 - (d) The number of members entitled to requisition a meeting in regard to any matter shall be such number of them as hold at the date of the deposit of the requisition not less than one tenth of such of the paid up share capital of the Company as at that date carried the right of voting in regard to that matter.
 - (e) Where two or more distinct matters are specified in the requisition the provisions of clause (a) above, shall apply separately in regard to each such matter; and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.
 - (f) If the Board does not, within twenty one days from the date of deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters then on a day not later than forty five days from the date of the deposit of the requisition, the meeting may be called by the requisitionists themselves within a period of three months from the date of requisition.

Explanation : For the purpose of this clause, the Board shall in the case of a meeting at which Resolution is to be proposed as a special Resolution, be deemed not have duly convened the meeting if they do not give such notice thereof as is required by Section 114 of the Act.

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

Explanation : Nothing in Clause (g) (ii) above, shall be deemed to prevent a meeting only commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

- (h) Where two or more persons hold any shares or interest in the Company jointly, requisition, or a notice calling a meeting, signed by one or some of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.

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

Length of Notice for Calling Meeting

- 100. (a) A general Meeting of the Company may be called by giving not less than clear twenty one days' notice in writing or through electronic mode in such manner as may be prescribed by the Central Government.
- (b) A General Meeting of the Company may be called after giving shorter notice than that specified in clause(a) if consent is accorded thereto by not less than ninety-five per cent of the members entitled to vote at such meeting;

Provided that where any members of the Company are entitled to vote only on such resolution or resolution to be moved at the meeting and not on the others, those members shall be taken into account for the purposes of this clause in respect of the former resolution or resolutions and not in respect of the latter.

Contents and Manner of Service of Notice and Persons on whom it is to be served.

- 101. (a) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted there at.
- (b) Notice of every meeting of the Company shall be given:
 - (i) to every member of the Company, in any manner authorized by Section 20 of the Act;
 - (ii) to the persons entitled to a share in consequence of a death or insolvency of a member, by sending it through the post in a prepaid letter addressed to them by name, or by the title of representatives of the deceased, or assignees of the insolvent, or by any like description, at the address, if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred;
 - (iii) to the auditor or Auditors for the time being of the Company in any manner authorized by Section 20 of the Act in the case of any member or members of the Company; and
 - (iv) to all the Directors of the Company,

Provided that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the Registered Office of the

Company under Section 20 of the Act, the statement of the material facts referred to in Section 102 of the Act need not be annexed to the notice as required by that Section but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

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

Meeting by Electronic Mode.

- (d)* Notwithstanding anything mentioned in these Articles, the Company may hold General Meeting(s), Board Meeting(s) or Committee Meeting(s) with participation of entitled persons by electronic mode including voting and any other incidental thing(s) by electronic mode as may be permitted under applicable laws.

* Inserted vide a special resolution dated September 14, 2012

Explanatory Statement to be Annexed to Notice

- 102. (A) For the purpose of this Article:
 - (i) in the case of an annual general meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to-
 - (a) the consideration of the financial statements and the reports of the Board of Directors and auditors.
 - (b) the declaration of a dividend.
 - (c) the appointment of directors in the place of those retiring, and
 - (d) the appointment of, and the fixing of the remuneration of, the auditors, and
 - (ii) in the case of any other meetings, all business shall be deemed special.
- (B) Where any items of business to be transacted at the meeting are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each item of business including in particular the nature of the concern of interest, if any, therein of every promoter, Director, the manager, if any, and of every other Key Managerial Personnel as required under Section 102 of the Act.

Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects any other Company, the extent of shareholding interest in that other Company of any such person shall be set out in circumstances specified in the provision to sub-section (2) of section 102 of the Act.

- (C) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the documents can be inspected shall be specified in the statement aforesaid.

- Quorum for Meeting**
103. (a) Subject to Article 103-A, the quorum for a General Meeting of the Company shall be as under:
- (i) five members personally present if the number of members as on the date of meeting is not more than one thousand;
 - (ii) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;
 - (iii) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand.
- (b) (i) If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon by requisition of members, shall stand dissolved.
- (ii) In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place or to such other day and at such other time and place as the Board may determine.
- (c) No business shall be transacted at any general meeting unless the requisite quorum be present at the commencement of the business.

Quorum

- 103-A@ A valid quorum of any meeting of the shareholders of the Company shall require the presence of the Promoters' Representative.

@Altered vide a special resolution dated August 13, 2011

Adjourned Meeting to Transact Business

104. (a) If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum.
- (b) where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes 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.

Chairman of General Meeting

105. (a) No business shall be discussed or transacted at any general meeting except the election of a Chairman whilst the Chair is vacant.
- (b) (i) The Chairman of the Board of Directors shall be entitled to take the Chair at every general meeting, if there be no Chairman or if at any meeting he shall not be present within 15 (fifteen) minutes after the time appointed for holding such meeting or is unwilling to act, subject to Article 182, the Director present may choose one of themselves to be the Chairman and in default of their doing so, the members present shall be willing to take the Chair, the members present shall choose one of themselves to be the Chairman.
- (ii) If at any meeting a quorum of members shall be present, and the Chair

shall not be taken by the Chairman or Vice-Chairman of the Board or by a Director at the expiration of 15 minutes from the time appointed for holding the meeting or if before the expiration of that time all the Directors shall decline to take the Chair, the members present shall choose one of their members to be the Chairman of the meeting.

Chairman with Consent may adjourn the Meeting

106. The Chairman with the consent of the meeting may adjourn any meeting from the time to time and from place to place in the city, town or village where the registered office of the Company is situated.

Business at the Adjourned Meeting

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

Notice of Adjourned Meeting

108. In case of adjournment of a meeting or of a change of day, time or place of meeting under, the Company shall give not less than three days' notice to the members..

In What cases Poll taken With or Without Adjournment

109. Any poll duly demanded on the election of a Chairman of a meeting or aforesaid, any business other than that upon which a poll has been demanded may be proceeded with pending the taking of the poll.

PROXIES

Proxies

110. (a) Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holder, all holders) shall not appoint more than one person as proxy. A proxy so appointed shall not have any right to speak at the meeting.

A proxy shall not be entitled to vote except on a poll.

- (b) In every notice calling a meeting of the Company there shall appear with reasonable prominence a statement that a member entitled to attend and ` is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member.
- (c) The instrument appointing a proxy or any other document necessary to show the validity or otherwise relating to the appointment of a proxy shall be lodged with the Company not less than 48 (forty eight) hours before the meeting in order that the appointment may be effective thereat.
- (d) The instrument appointing a proxy shall :
- (i) be in writing, and
 - (ii) be signed by an appointer or his attorney duly authorized in writing or,

if the appointer is a body corporate, by under its seal or be signed by an officer or any attorney duly authorized by it.

- (e) Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in usual common form or in such other form as the Directors may approve from time to time.
- (f) An instrument appointing a proxy, if in any of the forms set out in to the Companies (Management and Administration) Rules 2014 shall not be questioned on the ground that it fails to comply with any special requirement specified for such instrument by these Articles.
- (g) Every member entitled to vote at a meeting of the Company, or on any resolution to be moved thereat, shall be entitled during the period beginning 24 (twenty four) hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged at any time during the business hours of the Company, provided not less than 3 (three) days' notice in writing of the intention so to inspect is given to the Company.

VOTES OF MEMBERS

Restrictions on Exercise of Rights of Members who have not paid Calls etc.

- 111. (a) No members shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right of lien.
- (b) Where the shares of the Company are held in trust, the voting power in respect of such shares shall be regulated by the provisions of Section 89 of the Act.

Restriction on Excise of Voting Right in Other cases to be void

- 112. A member is not prohibited from exercising his voting right on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in Article 108.

Equal Rights of Share Holders

- 113. Any shareholder whose name is entered in the Register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

Promoters Affirmative Vote Items

- 113-A@ Notwithstanding anything contained in these Articles, no decision on any of the Promoters' Affirmative Vote Items shall be taken or implemented or agreement entered into by the Company or its subsidiaries at a meeting of shareholders, by postal ballot or otherwise, without the affirmative vote or written consent of the Promoters' Representative.

@Altered vide a special resolution dated August 13, 2011

Voting Rights of GDRs holders

113-B@

Neither the holder of the GDRs nor the custodian in whose favor the Equity Shares underlying the GDRs shall have voting rights with respect to the Equity Shares underlying the GDRs, until such GDRs are surrendered for withdrawal of the Equity Shares underlying the GDRs.

@Altered vide a special resolution dated August 13, 2011

Voting to be by show of Hand in First Instance

114. Any at general meeting a resolution put to vote at the meeting shall unless a poll is demanded under Section 109 of the Act be decided on a show of hands. Such voting in a general meeting or by postal ballot shall also include electronic voting in a General Meeting or Postal Ballot as permitted by applicable laws from time to time.

- (a) Subject to the provisions of the Act, upon show of hands every members entitled to vote and present in person shall have one vote, and upon a poll every member entitled to vote and present in person or by proxy shall have vote in proportion to his share in the paid-up equity share capital of the Company.
- (b) No member not personally present shall be entitled to vote on a show of hands unless such member is a body corporate present by a representative duly authorized under Sections 112 or 113 of the Act, in which case such representative may vote on a show of hands as if he were a member of the Company.

Service of Notice, Reports, Documents and other communications by electronic mode.

- (c)* Notwithstanding anything mentioned in these Articles, the Company may send any communication including notice of general meeting, annual report etc. to any persons by electronic mode as may be permitted under applicable laws.

* Inserted vide a special resolution dated September 14, 2012.

Voting rights of members of unsound mind and minors

115. A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may, on poll vote by proxy; if any member be a minor the vote in respect of his share or shares shall be by his guardians or any one of his guardians or, any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.

Votes in respect of Shares of Deceased or Insolvent Members etc.

116. Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder or such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposed to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Custody of Instrument

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

Validity of Votes given by Proxy notwithstanding Death of Members etc.

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

Time for Objections for Vote

119. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote whether given personally or by an agent or proxy or representative not disallowed at such meeting or poll shall be deemed valid for all purposes or such meeting or poll whatsoever.

Chairman of any Meeting to be the Judge of any Vote

120. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the time of taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

Chairman's Declaration of result of Voting by show of Hands to be Conclusive

121. A declaration by the Chairman in pursuance of Section 107 of the Act that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favor of or against such resolution.

Demand for Poll

122. (a) Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than five lacs Rupees or such higher amount as may be prescribed under the Act has been paid up.

(b) The demand for a poll may be withdrawn at any time by the person or persons who make the demand.

Demand for poll not to prevent Transaction of other Business

123. The Demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Time of taking Poll

124. (a) a poll demanded on a question of adjournment shall be taken forthwith.
- (b) a poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for In Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct.

Right of a member to use his Votes differently

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

Scrutineers at Poll

126. (a) Where a poll is to be taken the scrutineer shall be appointed in accordance with the provisions of the Companies Act, 2013 and the Companies (Management and Administration) Rules 2014.

Manner of taking Poll and Result thereof

127. (a) Subject to the provisions of the Act and the Rules made thereunder, the Chairman of the meeting shall have power to regulate the manner in which a poll shall be taken.

The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

Casting Vote

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

Representation of Body Corporate

129. A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Act authorize such person by a resolution of its Board of directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company.

Representation of the President of India or Governors

130. (a) The President of India or the Governor of State if he is a member of the Company may appoint such person as he thinks fit to act, as his representative at any meeting of the Company or at any meeting of any class

of members of the Company in accordance with provisions of Section 112 of the Act or any other statutory provision governing the same.

- (b) A person appointed to act as aforesaid shall for the purposes of the Act be deemed to be a member of such a Company and shall be entitled to exercise the same rights and powers (including the right to vote by proxy) as the Governor could exercise, as member of the Company.
- (c) The Company shall observe the provisions of Section 112 of the Act, in regards to the Public Trustee.

Circulation of Members Resolution

131. The Company shall comply with provisions of Section 111 of the Act, relating to circulation of members resolutions.

Special Notice

132. Where by any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.

Resolution Requiring Special Notice

133. The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.

Resolution Passed At Adjourned Meeting

134. The provisions of Section 116 of the Act shall apply to resolution passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolution shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.

Registration of Resolutions and Agreements

135. The Company shall comply with the provisions of Section 117 of the Act relating to registration of certain resolutions and agreements.

Minutes of Proceedings of General Meeting and of Board and Other Meetings

136. (a) The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot, entries thereof in books for that purpose with their pages consecutively

numbered.

- (b) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed:
 - i. in the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.
 - ii. In the case of minutes of proceedings of the general meetings by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorized by the Board for the purpose.
- (c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.
- (f) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes of the meeting.
 - (i) the names of the Directors present at the meetings, and
 - (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.
- (g) Nothing contained in Clause (a) to (d) hereof 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 interests of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusions of any matter in the minutes on the grounds specified in this clause.

- (h) The minutes of meetings kept in accordance with the provisions of Section 118 of the Act shall be evidence of the proceedings recorded therein.

Presumptions to be Drawn where Minutes duly drawn and Signed.

137. Where minutes of the proceedings of any general meeting of the Company or

of any meeting of its Board of Directors or a Committee of the Board have been kept in accordance with the provisions of Section 118 of the act then, until the contrary is proved, the meeting shall be deemed to have been duly called and held, and all proceedings thereat to have duly taken place and in particular all appointments of directors or Liquidators made at the meeting shall be deemed to be valid and the minutes shall be evidence of the proceedings recorded therein.

Inspection of Minutes Books of General Meetings.

138. (a) The books containing the minutes of the proceedings of any general meeting of the Company shall :
- (i) be kept at the registered office of the Company, and
 - (ii) be open, during 11:00 am to 1:00 pm to the inspection of any member without charge and by any other person on payment of fee of Rupees 50/- for each inspection, subject to such reasonable restrictions as the Company may, in general meeting impose..
- (b) Any member shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- for each page.

Publication of Reports of Proceedings of General Meetings

139. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting.

MANAGERIAL PERSONNEL

Managerial Personnel

140. The Company shall duly observe the provisions of Section 196 of the Act regarding prohibition of simultaneous appointment of different categories of managerial personnel therein referred to.

Board of directors

- 141* Until otherwise determined by the Company in general meeting, the number of Directors shall not be less than 3 (three) and more than 12 (twelve). The appointment of the Directors exceeding 12 (twelve) will be subject to the provisions of Section 259 of the Act.

* altered vide a special resolution dated September 14, 2012

First Directors

142. The First Directors of the Company are:
1. Arun Jayantilal Vora
 2. Balkishan Gopiram Goenka
 3. Rajesh Ramesh Mandawewala

Debenture Directors

143. Any Trust Deed for securing debentures of debenture-stocks may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stocks, of some person

or persons to be a Director or Directors of the Company and may empower such Trustees or holders of Debentures or debenture-stocks from time to time, to remove and reappoint any Director/s so appointed. The Director/s so appointed under this Article is herein referred to as “**Debenture Director**” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director(s) shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

*143A.

“Notwithstanding anything contained in these Articles and subject to the applicable laws, the Board shall have power to appoint a Debenture Director, nominated by the debenture trustee(s) whenever the debenture trustee(s) nominate a person to be appointed as a Debenture Director on the Board of the Company in accordance with the provisions of the Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993 read with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, or any other law for the time being in force, as amended from time to time. The Debenture Director(s) shall neither be required to hold any qualification share nor be liable to retire by rotation.

@Altered vide a special resolution dated September 26, 2024

Provided further that if the Company defaults in payment of interest or repayment of principal amount or creation of security and the applicable laws requires the company to appoint a Debenture Director, it shall appoint the person(s) nominated by the debenture trustee(s) as a Debenture Director on its Board of Directors, within one month or such other period as may be permissible under applicable laws, from date of receipt of nomination from the debenture trustee. “

Nominee Director

144.

Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Public Financial Institution as defined in Section 2(72) of the Act or so long as any such public financial institution continues to hold debentures in the Company by direct subscription or private placement, or so long as any such public financial institution holds shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by any such public financial institution on behalf of the Company remains outstanding, such public financial institution shall have a right to appoint from time to time, any person or persons or Directors is / are hereinafter referred to as “Nominee Director/s”, on the Board of the Company and to remove from such office any person or persons “so appointed and to appoint any person or persons” in his or their place/s.

The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of such public financial

institution such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of such public financial institution such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to such public financial institution or so long as such public financial institution holds Debentures in the Company as a result of direct subscription or private placement or so long as such public financial institution holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of any Guarantee the moneys owing by the Company to such public financial institution is paid off or of furnished by such public financial institution.

The Nominee Director/s appointed under this Article will be entitled to receive all notices of and attend all General Meetings Board Meetings and of the meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. Such public financial institution shall also be entitled to receive all such notices and minutes.

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

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

Special Director

145. (a) In connection with any collaboration arrangement with any company or corporation or firm or person for supply of technical know-how and/or machinery or technical advice, the Directors may authorize such Company, Corporation, firm or person (hereinafter in this clause referred to as "Collaborator") to appoint from time to time, any person or persons as Director or Directors of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for the office of such Director, so however, that such Special Director shall hold

office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such Collaborator under the collaboration arrangements or any time thereafter.

- (b) The Collaborator may at any time and from time to time remove any such Special Director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.
- (c) It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one or more such person or persons as a Director(s) and so that if more than one Collaborator is so entitled there may at any time be as many Special Director as the Collaborators eligible to make the appointment.

Promoters Nominee Directors

- (d)@ The Promoters shall have the right to nominate, appoint, remove or re-elect at least 4 (four) individuals as directors on the Board of Directors of each of the Company and its subsidiaries ("Board") ("Promoters Nominees"), from time to time. Subject to applicable law, out of the 4 (four) Promoters Nominees, 1 (one) director shall not be liable to retire by rotation.

@Altered vide a special resolution dated August 13, 2011

- (e)@ The Promoters shall have the right to nominate, appoint, remove or re-elect at least 1 (one) of the Promoter Nominees for appointment to each committee of the Board of the Company and its subsidiaries, including without limitation, the audit committee, the remuneration committee, the budget committee and any other committee, whether now existing or formed at any time in the future.

@Altered vide a special resolution dated August 13, 2011

Limit on Number of Non-Retiring Directors

- 146. Subject to the provisions of Section 152 of the Act, the number of Directors appointed under Articles 143, 144 and 145 shall not exceed in the aggregate one-third of the total number of Directors for the time being in office.

Appointment of Alternate Director

- 147. The Board may appoint an alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from India. An alternate Director so appointed shall not hold office as such for a period longer than that permissible to the Original Director in whose place he had been appointed and shall vacate if and when the Original Director returns to India.

Appointment of Additional Director

- 148. Subject to the provisions of Section 161 of the Act, Board of Directors shall have power at any time to appoint any person as an additional Director to the Board, but so that the total number of Directors shall not exceed the maximum number fixed by the Articles. Any Director so appointed shall hold the office only up to the next annual general meeting of the Company or the last date on which the annual general meeting should have been held,

whichever is earlier and shall then be eligible for reappointment.

Appointment of Director to fill the Casual Vacancy.

149. Subject to the provisions 161 of the Act, the office of any Director appointed by the Company in general meeting is vacated before his term of office expires in the nominal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if it had not been vacated as aforesaid but he shall then be eligible for re-election.

Individual Resolution for Director Appointment

150. At a general meeting of the Company a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. Resolution moved in contravention of this article shall be void whether or not objection was taken at the time of its being so moved. Provided that where a resolution so moved is passed no provision for the automotive reappointment of retiring director by virtue of these articles and the Act in default of another appointment shall apply.

Qualification of Director

151. A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.

Remuneration of Directors

152. (a) Subject to the provisions of Act, a Managing Director or a director who is in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by the other.
- (b) Subject to the provisions of the Act, a Director, who is neither in the whole-time employment nor a Managing Director may be paid remuneration either:
- (i) by way of monthly, quarterly or annual payment, or
 - (ii) by way of commission if the Company by a special resolution has authorized such payment
- (c) Every Director shall be paid such amount of remuneration by way of fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time, as may be determined by the Board for each meeting of the Board or Committee thereof attended by him.

Traveling and Other Expenses

153. The Board may allow and pay to any Director for the purpose of attending a meeting such sum either as fixed allowance and/or actual as the Board may consider fair compensation for traveling, board and lodging and incidental and/or actual out of pocket expenses incurred by such Director in addition

to his fees, for attending such meeting to and from the place at which the meetings to and from the place at which the meetings of the Board Committees thereof or general meetings of the Company are held from time to time or any other place at which the Director executes his duties.

Remuneration for Extra Services

154. If any Director, being willing shall be called upon to perform extra services or to take any special exertions for any of the purposes of the Company and in that event the Company may, subject to the provisions of the Act, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise, as may be determined by the Directors but not exceeding that permitted under Section 197 of the Act and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided.

Increase in Remuneration of Directors to require Government Sanction

155. Any provision relating to the remuneration of any Director including the Managing Director or Joint Managing Director or whole time Director or executive Director whether contained in his original appointment or which purports to increase or has the effect of increasing whether directly or indirectly the amount of such remuneration and whether that provisions are contained in the articles or in any agreement entered into by the Board of Directors shall be subject to the provisions of Section 196, 197 and 203 of the Act and in accordance with the conditions specified in Schedule V and to the extent to which such appointment or any provisions for remuneration thereof is not in accordance with the Schedule V, the same shall not have any effect unless approved by the Central Government and shall be effective for such period and be subject to such conditions as may be stipulated by the Central Government and to the extent to which the same is not approved by the Central Government, the same shall become void and not enforceable against the Company.

Director Not to Act when Number Falls Below Minimum

156. When the number of Directors in Office falls below the minimum fixed above, the Directors, shall not act except in emergencies or for the purposes of filling up vacancies or for summoning a general meeting of the Company and so long as the number is below the minimum they may so act notwithstanding the absence of the necessary quorum.

Eligibility

157. A person shall not be capable of being appointed a Director if he has the disqualifications referred to in Section 164 of the Act.

Directors Vacating Office

158. (a) The office of a Director shall be vacated if :
- (i) he is found to be of unsound mind by a Court of competent jurisdiction;
 - (ii) he applied to be adjudicated an insolvent;
 - (iii) he is adjudicated an insolvent;
 - (iv) he is convicted by a Court, of any offence involving moral turpitude or otherwise and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from

- the expiry of the sentence; Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company;
- (v) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call unless the Central Government by Notification in the Official Gazette removes the disqualification incurred by such failure;
 - (vi) he absents himself from all the meetings of the Board of Directors held during a period of twelve months with or without seeking leave of absence of the Board;
 - (vii) he, whether by himself or by any person for his benefit or on his account or any firm in which he is partner or any private company of which he is a Director, accepts a loan or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Act;
 - (viii) he is removed in pursuance of Section 169 of Act;
 - (ix) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company;
 - (x) he resigns his office by notice in writing given to the Company;
 - (xi) he acts in contravention of the provisions of Section 184 of the Act relating to entering into contracts or arrangements in which he is directly or indirectly interested;
 - (xii) he fails to disclose his interest in any contract or arrangement in which he is directly or indirectly interested, in contravention of the provisions of section 184.
- (b) Notwithstanding anything in sub-clauses (iii), (iv) and (v) of Clause (a) above, the disqualifications referred to in these sub-clauses shall not take effect:
- (i) for thirty days from the date of the adjudication, sentence or orders;
 - (ii) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed off, or
 - (iii) where within the seven days aforesaid, any further appeal, or petition is preferred in respect of the adjudication, sentence, conviction or order and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed off.

Removal of Directors

159. (a) The Company may (subject to the provisions of Section 169 and other applicable provisions of the Act and these Articles) remove any director other than ex-officio directors or Special Directors or Debenture Directors or a Nominee Director or a director appointed by the Central Government in pursuance of Section 242 of the Act, before the expiry of his period of office.
- (b) Special notice as provided by Section 115 of the Act shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

- (c) On receipt of notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.
- (d) Whether notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding a reasonable length) and requests their notification to members of the Company, the Company shall unless the representations are received by it too late for it do so:
 - (i) In the notice of the resolution given to members of the Company state the fact of representations having been made, and
 - (ii) send a copy of the representation to every member of the Company whom notice of the meeting is sent (whether before or after receipt of the representations by the company), and if a copy of representations, is not sent as aforesaid because they were received too late or because of the company's default, the Director may (without prejudice to his right to be provided orally) require that the representations be read out at the meeting, provided that copies of the representations need not be sent or read out at the meeting if so directed by the Court.
- (e) A vacancy created by the removal of a Director under this Article may, if he had been appointed by the Company in general meeting or by the Board in pursuance of Section 161 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed, provided special notice of the intended appointment has been under clause (b) hereof. A Director so appointed shall hold office until the date up to which his predecessor would have held office if he had not been removed as aforesaid.
- (f) if the vacancy is not filled under clause (e) above it may be filled as a casual vacancy in accordance with the provisions, in so far as they may be applicable, of Section 161 of the Act, and all the provisions of that Section shall apply accordingly;
- (g) Nothing contained in this Article shall be taken :
 - (i) as depriving a person removed there under of any compensation or damages payable to him in respect of the termination of his appointment as Director or of any appointment terminating with that as director; or
 - (ii) as derogating from any power to remove a Director which may exist apart from this Article.

Directors may Contract with Company

160. Subject to the restrictions imposed by these Articles and by Section 179, 180, 185, 186, 188, 196 and any other provisions of the Act, no Director, Managing Director, or other officer or employee of the Company shall be disqualified from holding his office by contracting with the Company either as vendor,

purchaser, agent, broker or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company in which any Director, managing director, Joint Managing Director, Executive Director other officer or employee shall be in any way interested, be avoided, nor shall be Director, Managing Director or any officer or employee so contracting or being so interested be liable to account to the Company for any profit realized by any such contract or arrangement by reason only of such Director, officer or employee holding that office or of the fiduciary relation thereby established, but the nature of his or their interest must be disclosed by him or them in accordance with provisions or Section 184 of the Act where that section be applicable.

Disclosure of Directors' Interest

161. (1) Every Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern of interest at a meeting of the Board of Directors, in the manner provided in Section 184 of the Act.
- (2) (a) In the case of proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he be so concerned or interested.
- (b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- (3) (a) For the purpose of clause (1) and (2) a general notice given to the Board by a Director to the effect that he is a Director or a member of specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notices, entered into with that body corporate or firm, shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made.
- (b) any such general notice, shall expire at the end of the financial year in which it is given, but may be renewed for further period of one financial year at a time by a fresh notice given in the last months of financial year in which it would otherwise expire.
- (c) No such general notice and no renewal thereof, shall be of effect unless other 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.
- (d) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company

where any one or two or more of Directors together holds or hold not more than two percent of the paid up share capital in other company.

Board Resolution necessary for Certain Contracts

162. (1). Except with the consent of the Board of Directors of the Company and of the Shareholders where applicable, a Related Party, shall not enter into any contract with the Company in contravention of Section 188 of the Act and the Rules made thereunder-
- (i) for the sale, purchase or supply of any goods, materials or services; or
 - (ii) selling or otherwise disposing of, or buying, property of any kind;
 - (iii) leasing of property of any kind;
 - (iv) availing or rendering of any services;
 - (v) appointment of any agent for purchase or sale of goods, materials, services or property;
 - (vi) such Related Party's appointment to any office or place of profit in the Company, its subsidiary company or associate company;
 - (vii) underwriting the subscription of any securities or derivatives thereof, of the Company:
- (2). Nothing contained in clause (1) shall affect any transactions entered into by the Company in its ordinary course of business other than transactions which are not on an arm's length basis.
- (3) Notwithstanding anything contained in clauses (1) and (2) a Related Party may, in circumstances of urgent necessity enter, without obtaining the consent of the Board, into any contract with the Company; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date of which the contract was entered into or such other period as may be prescribed under the Act.
- (4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board and the consent required under Clause (1) shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into or such other period as may be prescribed under the Act.
- (5) If the consent is not accorded to any contract under this Article anything done in pursuance of the contract will be avoidable at the option of the Board.

Disclosure to the Members of Directors' Interest in Contract in Appointing Manager Managing Director or Secretaries and Treasures

163. If the Company -
- (a) enters into a contract for the appointment of a Manager or Managing Director of the Company in which contract any Director of the Company is in any way directly or indirectly concerned or interested; or
 - (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Act shall be complied with.

164. **Deleted**

Loans Director etc.

165. Save as otherwise provided in the Act, the Company shall not, directly or indirectly, advance any loan, including any loan represented by a book debt, to any of its directors or to any other person in whom the director is interested or give any guarantee or provide any security in connection with any loan taken by him or such other person except :-

(a) give any loan to the managing or whole-time director –

(i) as a part of the conditions of service extended by the company to all its employees; or

(ii) pursuant to any scheme approved by the members by a special resolution; or

(b) in the ordinary course of its business provide loans or gives guarantees or securities for the due repayment of any loan and in respect of such Loan an interest is charged at a rate not less than the bank rate declared by the Reserve Bank of India.

Loans to Companies

166. The Company shall observe the restrictions imposed on the Company in regard to making any loans, giving any guarantee or providing any security to the Companies or bodies corporate as provided in Section 185 of the Act.

Interested Director not to Participate or vote in Board's Proceedings

167. No Director of the Company shall as a Director take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way 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 vote and if he does vote on any contract of indemnity against any loss which it or any one of more of its number may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between two companies where any of the directors of one company or two or more of them together holds or hold not more than two percent of the paid up share capital of the other company.

This Article is subject to the provisions of Section 184 of the Act.

Register of Contracts in which Directors are interested

168. The Company shall keep one or more Registers in which it shall be entered separately particulars of all contracts and arrangements to which Sections 184 and 188 of the Act applies.

ROTATION AND APPOINTMENT OF DIRECTORS

Director may be Director of Companies Promoted by the Company

169. A Director may be or become a Director of any Company or which it may be

interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefits received as Director or shareholder of such Company except in so far as Section 197) or Section 188 of the Act may be applicable.

Subject to provisions of Section 152 of the Act, not less than two thirds of the total number of Directors shall :

- (a) be persons whose period of office is liable to determination by retirement of Directors by rotation, and
- (b) save as otherwise expressly provided in the Act, be appointed by the Company in general meeting.

The remaining Directors shall, in default of and subject to any regulations in the Articles of the Company, also be appointed by the Company, in general meeting.

Ascertainment of Directors Retiring by Rotation and Filling up Vacancy

170. (a) At every annual general meeting one-third of such directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearer to one-third, shall retire from office.

The Debenture Directors, Corporate Directors, Special Directors, Independent Directors, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.

- (b) The Directors to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot. A Retiring Director shall be eligible for re-election.
- (c) At the annual general meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
- (d) I. if the place of the retiring Director is not so filled up and that meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place or if that day is a national holiday, till the next succeeding day which is not a national holiday, at the same time and place.
II. if at the adjourned meeting also, the place of the retiring Director is not filled up and that the meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless-

- (a) at that meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;
- (b) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;
- (c) he is not qualified or is disqualified for appointment;
- (d) a resolution, whether special or ordinary, is required for his appointment or re-appointment in virtue of any provisions of the Act, or
- (e) the proviso to Section 162 of the Act is applicable to the case.

171. **Deleted.**

Consent of Candidates for Directorship to be Filed with the Registrar

172. Every person who is proposed as a candidature for the office of Director of the Company shall sign and file with the Company and with the Registrar, his consent in writing to act as a Director, if appointed, in accordance with the provisions of Section 152 of the Act in so far as they may be applicable.

Company may Increase or Reduce the Number of Directors or Remove any Director

173. Subject to the provisions of Sections 149, 151 and 152 of the Act, and these Articles the Company may, by special resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.

Appointment of Directors to be Voted individually.

174. (1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made, has been first agreed to by the meeting without any vote being given against it.
- (2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided that for the automatic re-appointment of retiring Director in default of another appointment as hereinabove provided shall apply.
- (3) For the purpose of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.

Notice of Candidature for Office of Directors Except in Certain Cases

175. (1) No person, not being a retiring Director, shall be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him has, at least fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of a Director or the intention of such member to propose him as a Director for office as the case may be along with a deposit of

One lakh Rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent of total votes cast.

- (2) The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting. Provided that it shall not be necessary for the Company to serve individual notices on the members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the Registered Office of the Company is located, of which one is published in the English language and the other in the regional language of that place.
- (3) 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 a Director shall sign and file with the Company his consent in writing to act as a Director if appointed.
- (4) A person, other than-
 - (a) a Director, re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
 - (b) an additional or alternate Director or a person filling a casual vacancy in the office of a Director under Section 160 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of 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

Register of directors and Notification of Change to Registrar

- 176.
- (1) The Company shall keep at its Registered Office a Register containing the particulars of its Directors and key managerial personnel and other persons mentioned in Section 170 of the Act which shall include the detail of securities held by each of them in the Company or its holding, subsidiary of Company's holding company or company and shall send to the Registrar a Return containing the particulars specified in such Register and shall otherwise comply with the provisions of the said Section in all respects.
 - (2) Such Register shall be kept open for inspection by any member or debenture holder to the Company as required by section 171 of the Act.

Disclosure by Director of Appointment to any other Body Corporate

- 177.
- Every Director (including a person deemed to be a Director of the Company Managing Director, Key Managerial Personnel, Manager or Secretary of the Company who is appointed to or relinquishes office of Director, Managing Director, Manager or Secretary of any other body corporate shall within thirty days of his appointment to, or as the case may be, relinquishment of such office disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under Section 170 of

the Act.

178. **Disclosure by Directors of their Holdings of Shares and Debentures of the Company.**

Every director and every person deemed to be a Director of the Company shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

179. **Meeting of Directors**

The Directors may meet together as a Board for transaction of business from time to time and shall so meet at least four times in every year in such manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board and they may adjourn and otherwise regulate their meetings and proceedings as they deem fit. The provisions of this Article shall not be deemed to be contravened merely by reason of the fact that meeting of the Board, which had been called in compliance with the terms herein mentioned, could not be held for want of quorum.

When Meeting to be Convened

180. Any Director of the Company may and the Manager or Secretary on the requisition of a Director shall, at any time, summon a meeting of the Board.

Directors Entitled to Notice

181. Notice of every meeting of the Board of the Company shall be given in writing to every Director for the time being in India and at his usual address in India.

Appointment of Chairman

182.@ The Promoters shall have the right to nominate, appoint, remove or re-elect the Chairman of the Board of the Company and its subsidiaries.

@Altered vide a special resolution dated August 13, 2011

Quorum

183.@ A valid quorum of any Board meeting or meeting of the committee of the Board of the Company and its subsidiaries or any adjournment thereof, subject to Section 174 of the Act, shall require the presence of at least 1 (one) of the Promoter Nominees.

@Altered vide a special resolution dated August 13, 2011

Board may Appoint Managing Director

184. (a)@ (a) In addition to the Promoters Nominees, the Promoters shall have the right to nominate, appoint, remove or re-appoint the Managing Director and/or Chief Executive Officer of the Company and its subsidiaries.

@Altered vide a special resolution dated August 13, 2011

(b) Any Managing Director or/s or whole time Director/s so appointed shall not be required to hold any qualification shares.

(c) Subject to the provisions of Sections 196, 197, and 203 of the Act and also

subject to the limitations, conditions and provisions of Schedule V to the Act, the appointment and payment of remuneration to the above Director/s shall be subject to approval of the members in general meeting and of the Central Government, if required.

- (d) Subject to the superintendence, control and direction of the Board, the day to day management of the Company shall be vested with the Managing Director/s or Whole-time Director/s Manager, if any, with Power to the Board to distribute such day to day management functions in any manner as deemed fit by the Board subject to the provisions of the Act and these Articles.

Meeting of Committee, How to be Governed

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

Resolution by Circular

186. No Resolution by circular shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation unless such Resolution has been circulated in draft, together with necessary papers, if any, to all the Directors, or to all the members for the Committee at the respective addresses registered with the Company and has been approved by the majority of the Directors or Members of the Committee or by a majority of such of them as are entitled to vote on the Resolution.

Directors May Appoint Committees

187. Subject to the restrictions contained in Section 179 of the Act, the Board may delegate any of their powers to Committees of the Board consisting of two or more members of its body as it thinks fit. The Chairman shall have a casting vote at committee meetings and the Board may from time to time, revoke and discharge such Committee of the Board either wholly or in part and either as to persons or purposes, but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment but not otherwise, shall have the like force and effect as if done by the Board.

188. **Deleted**

Acts of Board or Committee Valid Notwithstanding Defect of Appointment

189. All acts done by any meeting of the Directors or by a Committee of Directors, or by any person acting as a Director, shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Directors or persons acting as aforesaid, or they or any of them were or was disqualified or that their or his appointment had terminated by virtue of any provisions contained in the Articles or the Act, be as valid as if every such person has been duly appointed and was qualified to be a Director.

POWER OF DIRECTORS

Certain Powers to be Exercised by the Board

190. (a) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board –
- (i) to make calls on shareholders in respect of money unpaid on their shares;
 - (ii) to authorize buy-back of securities under Section 68 of the Act;
 - (iii) to issue securities, including debentures, whether in or outside India;
 - (iv) to borrow monies;
 - (v) to invest the funds of the Company;
 - (vi) to grant loans or give guarantee or provide security in respect of loans;
 - (vii) to approve financial statement and the Board's report;
 - (viii) to diversify the business of the Company;
 - (ix) to approve amalgamation, merger or reconstruction;
 - (x) to take over a company or acquire a controlling or substantial stake in another company;

Provided that the Board may by resolution passed at the 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, a principal officer of the branch office, the powers specified in sub-clauses (iv) to (vi) to the extent specified in clauses (b), (c) and (d) respectively on such conditions as the Board may prescribe.

- (b) Every resolution delegating the power referred to sub-clause (iv) of clause (a) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate,
- (c) Every resolution delegating the power referred to in sub-clause (v) of clause (a) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.
- (d) Every resolution delegating the power referred to in sub-clause (vi) of clause (a) shall specify the total amount up to which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual case.
- (e) Nothing in this article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in sub-clauses (i) to (x) of clause (a) above.

Restriction on Powers of Board

191. (a) The Board of Directors of the Company shall not except with the consent of the Company in general meeting :

- (i) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company more than one undertaking of the whole or substantially the whole of any such undertaking;
 - (ii) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation;
 - (iii) borrow moneys, where the money to be borrowed, together with moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of its paid-up share capital and free reserves; or
 - (iv) remit, or give time for the repayment of, any debt due from a director;
 - (v) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees any amount, the aggregate of which in any financial year, exceed five percent of its average net profits as determined in accordance with the provisions of Section 198 of the Act during the three financial years, immediately preceding, whichever is greater.
- (b) Nothing contained in sub-clause (a) above shall affect:
- (i) the title of a buyer or other person who buys or takes a lease of any property, investment or undertaking as is referred to in that clause in good faith and after exercising due care and caution, or
 - (ii) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, comprises such selling or leasing.
- (c) Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (a) (i) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction. Provided that this clause shall not be deemed to authorize the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.
- (d) No debt incurred by the Company in exercise of the limit imposed by sub-clause (iii) of clause (a) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.
- (e) Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in sub-section (1) Section 180 of the Act and in regard to the limitations on the power of the Company contained in Section 181 of the Act.

General Powers of the Company Vested in Directors

192. Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorized to exercise and do and not hereby or by the stature or otherwise directed or required to be exercise or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other and act and of the Memorandum of Association and these articles and to any regulations, but being inconsistent with the Memorandum of Association and these articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Specific Powers Given to Directors

193. Without prejudice to the general powers conferred by Article 192 and the other powers conferred by these presents and so as not in way to limit any or all of these powers, it is hereby expressly declared that the Directors shall have following powers.

To pay Registration Expenses

- (i) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation establishment and registration of the Company;
- (ii) To pay and charge to the capital account of the Company any interest lawfully payable thereon under the provisions of Section 40 of the Act;

To Acquire Property

- (iii) Subject to the provisions of the Act and these articles to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, or Company carrying on the business which this company is authorized to carry on, 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 acquisition to accept such title as the Board may deliver or may be advised to be reasonably satisfactory.

To Purchase Lands, Buildings, Etc.

- (iv) Subject to the provisions of the Act to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;

To Construct Buildings

- (v) To effect, construct, enlarge, improve, alter, maintain, pull down rebuild or reconstruct any buildings, factories, offices, workshops or other structures,

necessary or convenient for the purpose of the Company and to acquire lands for the purposes of the Company.

To Mortgage, Change Property

- (vi) To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Act, any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;

To Pay for Property Etc.

- (vii) At their discretion 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, debenture-stocks or other securities of the Company, and any such shares stock of other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture-stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;

To Insure

- (viii) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, store, produce and other movable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;

To Open Accounts

- (ix) Subject to Section 179 of the Act, open accounts with any bank or bankers or with any Company, firm or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;

To Secure Contracts

- (x) To secure the fulfillments of any contracts of engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;

To Attach to Shares such Conditions

- (xi) To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;

To Accept, Surrender, of Shares

- (xii) To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or any part thereof subject to the provisions of the Act;

To appoint Attorney

- (xiii) To appoint any person or persons (whether incorporated or not), to accept and hold in trust for the Company any property belonging to the Company or in which it is interested for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;

To Bring and Defend Actions

- (xiv) 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 subject to the provisions of Section 180 of the Act to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;

To Refer to Arbitration

- (xv) To refer, subject to the provisions of Section 180 of the Act, any claims or demands by or against the Company to arbitration and observe and perform the awards;

To Act on Insolvency Matters

- (xvi) To act on behalf of the company in all matters relating to bankrupts and insolvents;

To Give Receipts

- (xvii) To make and give receipts, release and other discharges for moneys payable to the Company and for the claims and demands of the Company subject to the provisions of Section 180 of the Act;

To Authorize Acceptance

- (xviii) To determine from time to time as to who shall be entitled to sign bills, notes, receipts, acceptances, endorsements, cheques, dividend/interest warrants, release, contracts and documents on the Company's behalf;

To Invest Moneys

- (xix) Subject to the provisions of Sections 179, 180 and 186 of the Act, to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such shares, securities, or investments (not being shares in this Company) and in such manner as they may think fit, and from time to time to vary or release such investments;

To Provide For Personal Liabilities

- (xx) To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company, such mortgages of the Company's property (present and future) as they may think fit and any such mortgage may contain a power of sale and such other powers, covenants' and provisions as shall be agreed on;

To Give to Directors Etc. An Interest in Business

- (xxi) Subject to such sanction as may be necessary under the Act or the articles, to

give to any Director, Officer, or other persons employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.

To Provide for Welfare of Employees

- (xxii) To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to payment by creating and from time to time subscribing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;

To Subscribe to Charitable and Other Funds

- (xxiii) To subscribe, or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, public or any other useful institutions, object or purposes for any exhibition;

To Maintain Pension Funds

- (xxiv) To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such Subsidiary Company, or who are or were at any time Directors or Officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institutions, associations, clubs or funds collected to be for the benefit of or to advance the interest and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid.
- (xxv) To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.

To Create Reserve Fund

- (xxvi) Before recommending any dividend, to set aside out of profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund or Reserve Fund or Sinking Fund or any other special fund to meet contingencies or to repay redeemable preference shares, debentures, or debenture stock or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any part of the property of the Company, and for such other purposes as the Directors may, in their absolute discretion, think conducive to the interests of the Company and to

invest the several sums so set aside or so much thereof as required to be invested upon such investments (subject to the restrictions imposed by Section 179 and 180 and other provisions of the Act) as the directors may think fit, and from time to time, to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of the Company in such manner and for such purposes as the Directors (subject to such restrictions as aforesaid) in their absolute discretion think conducive to the interests of the Company notwithstanding that the matters to which the Directors apply or upon which the Capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Directors think fit, and to employ the assets constituting all or any of the above funds, including the Depreciation Fund, in the business of the Company or in repayment or redemption of redeemable preference shares, debentures or debenture-stock and that without being bound to keep the same separate from other assets or to pay interest on the same, with power, however to the Directors at their discretion, to pay or allow to the credit of such fund interest at such rate as the Directors may think proper.

To Appoint Officers Etc.

- (xxvii) The Board shall have specific power to appoint officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants.

To Authorize by Power of Attorney

- (xxviii) At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to the conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favor of any Company or the members, directors, nominees, or managers of any company or firm or otherwise in favor of an fluctuating body or person whether nominated, directly or indirectly by the Directors and any such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretions for the time being vested in them.

To Authorize, Delegate

- (xxix) Subject to the provisions of the Act, generally and from time to time and at any time to authorize empower or delegate to (with or without powers of sub-delegation) and Director, Officer or Officers of Employee for the time for the time being of the Company and/or any other person, firm or Company all or any of the powers authorities and discretions for the time being vested in the Directors by these presents, subject to such restrictions and conditions, if any as the Directors may think proper.

To Negotiate

- (xxx) To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name and on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company.
- (xxx) From time to time to make vary any legal bye-laws for the regulations of the business of the Company, its officers and servants.

Promoters Affirmative Vote at Board and Committee

- 193-A@ Notwithstanding anything contained in these Articles, no decision on any Promoters' Affirmative Vote Item shall be taken or implemented or agreement entered into by the Company or its subsidiaries, at a meeting of Board or any committee of the Board of directors (including resolutions by circulation), in each case, without the affirmative vote of at least 1 (one) of the Promoter Nominees or the written consent of the Promoters' Representative @Altered vide a special resolution dated August 13, 2011
- 193-B@ The rights of the Promoters as contained in Articles 103(a), 113-A, 145(d), 145(e), 182, 184(a), 183 and 193-A shall continue so long as the Promoters shareholding in the Company is not less than the Promoters' Threshold Shareholding.@ @Altered vide a special resolution dated August 13, 2011
- 193-C@ The Company shall provide the option to its shareholders and directors to participate in meetings of the shareholders, Board and committees of the Board through electronic mode, in compliance with Applicable Laws. @Altered vide a special resolution dated August 13, 2011

Secretary

- 194. Subject to the provisions of Section 203 of the Act, the Directors may, from time to time appoint and, at their discretion remove any individual (hereinafter called 'the Secretary' who shall have such qualifications as the authority under the Act may prescribe to perform any functions, which by the Act or these Articles are to be performed, by the Secretary, and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some persons (who need not be the Secretary) to keep the registers required to be kept by the Company.

Seal

- 195. (I) The Board of Directors shall provide a Common Seal for the purpose of the Company, shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for its safe custody for the time being under such regulations as the Board may prescribe.
- (II)* The Seal shall never be used except by the authority, of the Directors or a committee of the Directors, previously given and every deed or other instrument to which a seal of the Company is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company or by an officer duly authorized in that behalf by resolution of the Board, be signed by one Director at least in whose presence the seal shall have been affixed, provided nevertheless that the certificate of shares issued by the

* Altered at the Annual General Meeting held on September 30,2005

Company shall be sealed and signed as provided in the next following Article

Provided however that the certificates of shares shall be signed in the same manner as the certificates of the shares required to be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and their statutory modification for the time being in force.

196. **Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

Subject to the provisions of the Act, –

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer 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 or chief financial officer.
- (iii) A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer 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 or chief financial officer.

Dividends Out of Profits Only

197. (i) No Dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions 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 those provisions and remaining undistributed or out of both or out of money provided by the Central Government or State Government for the payment of dividend in pursuance of a Guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten per cent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf.

PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company propose to declare out of the accumulated profits by the Company in previous years and transferred by it to the reserve, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf.

- (ii) The depreciation shall be provided to the extent specified in Schedule II to the Act.
- (iii) No dividend shall be payable except in cash, provided that nothing in this

Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.

Interim Dividend

198. The Board of Directors may from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

Debts May be Deducted

199. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Capital Paid Up in Advance and Interest Not to Earn Dividend

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

Dividends in Proportion to Amount Paid-Up

201. All Dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion of the period in respect of which the dividends is paid but if any share is issued in terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

Right to Dividend, Right Shares and Bonus Shares to be held in Abeyance Pending Registration of Transfer of Shares

202. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall notwithstanding anything contained in any other provision of this Act, shall -

(a) transfer the dividend in relation to such shares to the special account referred to in Section 123 unless the Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and

(b) keep in abeyance in relation to such shares any offer of rights shares under Section 62 and any issue of fully paid-up bonus shares in pursuance of Section 123.

No Member to receive Dividend whilst indebted to the Company and the Company's Right of Reimbursement Thereof

203. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, while any money may be due or owing from 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 of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

Effect of Transfer of Shares

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

Dividends How Remitted

205. The dividend payable in cash may be paid by cheque, direct credit to the beneficiaries bank account or warrant sent through post direct to the registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders which is first named on the register of members or to such person and to such address as the holder or the joint holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay-slip or receipt lost in transmission or for any dividend lost, to the member of person entitled thereto by forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.

Notice of Dividend

206. Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

Unpaid Dividend or Dividend Warrant Posted

207. (a) Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in the name of the Company and transfer to the said Account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.
- (b) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund maintained by the Central Government under the Act. A claim to any money so transferred to the general revenue account may be preferred to the Central Government by the shareholder to whom the money is due.

208. No unclaimed dividend shall be forfeited by the Board.

Dividend and call together

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

CAPITALISATION

Capitalization

210. (a) Any general meeting may resolve that any amount standing to the credit of the Securities Premium Account or the Capital Redemption Reserve Account or any moneys, investment or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realization and where permitted by law, from the appreciation in value of any capital assets of the Company) standing to the credit of the General Reserve, Reserve or any Reserve fund or any other fund of the Company or in the hands of the Company and available for dividend may be capitalized. Any such amount (excepting the amount standing to the credit of the Securities Premium Account and/or the Capital redemption Reserve Account) may be capitalized:

The sum aforesaid shall not be paid in cash but shall be applied, 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) for the purchase of its own shares or other securities subject to the provisions of Section 68 of the Act.
 - (v) 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;
- (b) Such issue and distribution under Sub-clause (a) (i) above and such payment to the credit of unpaid share capital sub-clause (a) (ii) above shall be made to, among and, in favor of the members of any class of them or any of them entitled thereto and in accordance with their respective rights and interests and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under sub-clause (a) (ii) above shall be made on the footing that such members become entitled thereto as capital;
- (c) The Directors shall give effect to any such resolution and apply portion of the profits, General Reserve Fund or any other fund or account as aforesaid as may be required for the purpose of making payment in full for the shares, debentures or debenture-stock, bonds or other obligations of the Company so distributed under sub-clause (a)(i) above or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under sub-clause above provided that no such distribution or payment shall be made unless recommended by Directors and if so recommended such distribution

and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalized sum.

- (d) For the purpose of giving effect to any such resolution the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient and in particular they may issue fractional certificates or coupons and fix the value for distribution of any specific assets and may determine that such payments be made to any members on the footing of the value so fixed and may vest any such cash, shares, fractional certificates or coupons, debentures, debenture-stock; bonds or other obligations in trustees upon such trusts for the person entitled thereto as may seem expedient to the Directors and generally may make such arrangement for the acceptance, allotment and sale of such shares, debenture, debenture-stock, bonds or other obligations and fractional certificates or coupons or otherwise as they may think fit.
- (e) Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and others are partly paid only, such capitalization may be effected by the distribution of further shares in respect of the fully paid shares, and in respect of the partly paid shares the sums so applied in the extinguishments or diminution of the liability on the partly paid shares shall be so applied *pro rata* in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.
- (f) When deemed requisite a proper contract shall be filed with the Registrar of Companies in accordance with the Act and the Board may appoint any person to sign such contract on behalf of the members entitled as aforesaid and such appointment shall be effective.

ACCOUNTS

Accounts

211. The provisions of Sections 128 to 138 of the Act shall be complied with in so far as the same be applicable to the Company.

Books of Accounts to be kept

212. (a) The Company shall keep at its Registered Office proper books of accounts as required by Section 128 of the Act with respect to :
- (i) All sums of money received and expected by the Company and the matters in respect of which the receipt and expenditure take place;
 - (ii) All sales and purchases of goods and services by the Company;
 - (iii) the assets and liabilities of the Company; and
 - (iv) the items of cost as may be prescribed under Section 148 of the Act and applicable to the Company.

Provided that all or any of the books of account aforesaid may be kept at such

other place in India as the Board of Directors so decide, the Company shall, within seven days of the decision file with the Registrar a notice in writing giving full address of that other place.

- (b) If the Company shall have a branch office, whether in or outside India, proper books of account relating to the transaction effected at that office shall be kept at that office and proper summarized returns made up to date at intervals of not more than three months, shall be sent by the branch office to the Company at its Registered Office or other place in India, as the Board thinks fit, where the said books of the Company are kept.
- (c) All the aforesaid books shall give a fair and true view of the affairs of the Company or of its branch office as the case may be with respect to the matters aforesaid, and explain the transactions.
- (d) The books of account shall be open to inspection by any Director during business hours as provided by Section 128 of the Act.
- (e) The books of account of the Company relating to a period of not less than eight years immediately preceding the current year together with the vouchers relevant to any entry in such books of accounts shall be preserved in good order.

Inspection by Members

213. The Directors shall from time to time determine whether and to what extent and at what times and place and under what conditions or regulation the account, books and documents of the Company or any of them, shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by statute or authorized by the Directors or by a resolution of the Company in general meeting.

Statement of Account to be furnished to General Meeting

214. The Board of Directors shall lay before each annual general meeting a Financial Statements for the financial year of the Company which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar of Companies under the provisions of the Act.

Financial Statement

215. (a) Subject to the provisions of Section 129 of the Act, every Financial Statement of the Company shall be in the forms set out in Schedule II of the Act, or as near there to as circumstances admit.
- (b) So long as the Company is a holding Company having a subsidiary the Company shall conform to Section 129 and other applicable provisions of the Act.
- (c) If in the opinion of the Board, any of the current assets of the Company have not a value on realization in the ordinary course of business at least equal to the amount at which they are stated, the fact that the Board is of that option

shall be stated.

Authentication of Financial Statement

216. (a) The Financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act.
- (b) The Financial Statement, shall be approved by the Board of Directors before they are submitted to the auditors for report thereon.

Profit and Loss Accounts to be Annexed and Auditors' Report to be attached to the Balance Sheet.

217. The Profit and Loss Account shall be annexed to the Balance and the Auditors' Report including the Auditor's separate, special or supplementary report, if any, shall be attached thereon.

Board's Report to be Attached to Financial Statement

218. (a) Every Financial Statement laid before the Company in General Meeting shall have attached to it a Report by the Board of Directors with respect to the State of the Company's affairs and such other matters as prescribed under Section 134 of the Act and the Rules made thereunder.
- (b) The Report shall so far as it is material for the appreciation of the state of the Company's affairs by its members and will not in the Board's opinion be harmful to the business of the Company or of any of its subsidiaries deal with any changes which have occurred during the financial year in the nature of the Company of Company's business, or of the Company's subsidiaries or in the nature of the business in which the Company has an interest.
- (c) The board shall also give the fullest information and explanation in its Report or in cases falling under the proviso to Section 129 of the Act in an addendum to that Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (d) The Board's Report and addendum (if any) thereto shall be signed by its Chairman if he is authorized in that behalf by the Board; and where he is not so authorized shall be signed by such number of Directors as are required to sign the Financial Statements of the Company by virtue of sub-clauses (a) and (b) of Article 216.
- (e) The Board shall have the right to charge any person not being a Director with the duty of seeing that the provisions of sub-clauses (a) and (b) of this Article are complied with.
- (f) Every Financial Statement of the Company when audited and approved and adopted by the members in the annual general meeting shall be conclusive except as regards in matters in respect of which modifications are made thereto as may from time to time be considered necessary by the Board of Directors and or considered proper by reason of any provisions of relevant applicable statutes and approved by the shareholders at a subsequent general meeting.

Right of Members to copies of Financial Statement and Auditor's Report

219. A copy of every Financial Statement and the auditor's report and every other document required by law to be annexed or attached, as the case may be; to the balance sheet which is to be laid before the Company in General Meeting, shall be made available for inspection at the Registered Office of the Company during the working hours for a period of 21 days before the date of the meeting. A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid as may be permitted by Section 136 of the Act and as the Company may deem fit, will be sent to every member of the Company and to every Trustees for the holders of any debentures issued by the Company, not less than 21 days before the meeting as laid down in Section 136 of the Act. Provided that it shall not be necessary to send copies of the documents aforesaid to:

- (a) to a member or holder of the debenture of the Company who is not entitled to have the notice of general meeting of the Company sent to him and whose address the Company is unaware;
- (b) to more than one of the joint holder of any shares or debentures some of whom are and some of whom are not entitled to have such notice sent to them, by those who are not so entitled.

A copy of the Financial Statement etc. to be filed with Registrar

220. After the Financial Statements have been laid before the Company at the annual general Meeting, a copy of the Financial Statement duly signed as provided under Section 137 of the Act together with a copy of all documents which are required to be annexed there shall be filed with the Registrar so far as the same be applicable to the Company.

AUDIT

Financial Statement to be audited

221. Every Financial Statement shall be audited by one or more Auditors to be appointed as hereinafter mentioned.

Appointment of Auditors

222. The Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 148 of the Act.

Audit of Branch Office

223. The Company shall comply with the provisions of Section 143 of the Act in relation to the audit of the accounts of branch offices of the Company, except to the extent to which any exemption may be granted by the Central Government, in that behalf.

Auditors to have access to the Books of the Company

224. (a) The Auditor/s of the Company shall have a right of access at all times to the books and vouchers of the Company and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditor/s.

- (b) All notice of and other communications relating to, any general meeting of the Company which any member of the Company is entitled to have sent to him shall also be forwarded to the Auditors of the Company and the Auditor shall be entitled to attend any general meeting and to be heard at any general meeting which he attends to any part of the business which concerns him as Auditor.

Financial Statement When Audited and Approved to be Conclusive

225. Every Financial Statement when audited and approved by a General Meeting shall be conclusive except where it appears to the directors that –

- (a) the financial statement of the Company; or
(b) the report of the Board,

do not comply with the provisions of Section 129 or Section 134 they may prepare revised Financial Statement or a revised report in respect of any of the three preceding financial years after obtaining approval of the Court or Tribunal as applicable on an application made by the Company in such form and manner as may be prescribed by the Central Government and a copy of the order passed by the Court or the Tribunal as applicable shall be filed with the Registrar:.

Authentication of Documents and Proceedings

226. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Key Managerial Personnel or an officer of the Company duly authorized by the Board in this behalf and need not be under its Seal.

DOCUMENTS AND NOTICES

Service of Documents on Members By the Company

227. (i) A document or notice may be served by the Company on any member thereof either personally or by sending it, by registered post or speed post or by courier service or electronic means or such other modes as may be prescribed under the Act from time to time, to him at his registered address or if he has no registered address in India, to the address if any, within India, supplied by him to the Company for serving documents or notices to him
- (ii) Where a document or notice is sent by post or courier service:
- (a) Service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or the notice provided that where a member has intimated to the Company in advance that documents should be sent to him by specified manner and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the documents or notice shall not be deemed to be affected unless it is sent in the manner intimated by the members; and
- (b) Such service shall be deemed to have been affected:

- (i) In the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted; and
 - (ii) in any other case at the time at which the letter would be delivered in the ordinary course of post.
 - (iii) A document or notice advertised in a newspaper circulation in the neighborhood of the Registered Office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
 - (iv) A document or notice may be served by the Company on the joint holders of a share by serving it to the joint holder named first in the Register in respect of the share.
- (iii) A document or notice may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter, addressed to them by name, or by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address if any, in India supplied for the purpose by the person claiming to be so entitled or until such an address has been so supplied, by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
 - (iv) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

To Whom Documents must be Served or Given.

228. Document of notice of every general meeting shall be served or given in the same manner herein before authorized on or to (a) every member, (by) every person entitled to a share in consequence of the death or insolvency of a member, c) directors and (d) the auditor or auditors for the time being of the Company, PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulation in the neighborhoods of the office of the Company under Article 100, a statement of material facts, referred to in Article 101 need not be annexed to the notice as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

Members Bound by Documents or Notice Served on or Given to Previous Holders

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

Service of Documents on Company

230. A document may be served on the Company or an Officer thereof by sending

it to the Company or Officer at the Registered Office of the Company by Registered Post or by speed post or by courier services or by electronic means or by leaving it at its Registered Office or such other modes as may be prescribed under the Act from time to time.

Service of Documents by Company on the Registrar of Companies

231. Subject to provisions in the Act, a document may be served on the Registrar of Companies by sending it to him at his office by Registered Post, or speed post or by courier services or by delivering it to or leaving it for him at his office or address or by such electronic or other mode as may be prescribed under the Act from time to time.

REGISTERS AND DOCUMENTS

Registers and Documents to be Maintained By the Company

232. The Company shall keep and maintain Registers, Books and documents as required by the Act or these Articles.

Inspection of Registers

233. Subject to provisions of the Act and the provisions in the Articles, the Registers maintained under the Act and the minutes of all proceedings of General Meetings shall be open to inspection during any working day during business hours and extracts may be taken there from and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company i.e., by any member, debenture holder, other security holder or beneficial owner without payment of fee and by any other person on payment of fee of Rupees 50/- for each inspection. Subject to provisions of the Act and the provisions in the Articles, the copies of entries in the Registers maintained under the Act shall be furnished to the persons entitled to the same on payment of Rs. 10/- for each page.

WINDING UP

Distribution of Assets

234. (a) Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among the members as such shall be less than sufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly, as may be, the losses shall be borne by the members in proportion to the Capital paid up, or which ought to have been paid up, at the commencement of winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the Capital paid up at the commencement of the winding up the excess shall be distributed amongst the members in proportion to the Capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.
- (b) But this clause will not prejudice the rights of the holders of shares issued upon special terms and conditions.

Distribution in Specie or Kind.

235. Subject to the provisions of the Act :

- (a) If the Company shall be wound up whether voluntarily or otherwise, the liquidators may with the sanction of a special resolution and any other sanction required by the Act, divide amongst the contributories, in specie or kind the whole or any part of the assets of the Company, and may, with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them as the liquidators with the like sanction shall think fit.
- (b) If thought expedient, any such division may, subject to the provisions of the Act, be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given (subject to the provisions of the Act) preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined or any contributory who would be prejudiced thereby shall have the right; if any to dissent and ancillary rights as if such determination were a special resolution.
- (c) In case any shares to be divided as aforesaid involves a liability to calls or otherwise, any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution, but notice in writing direct the liquidators to sell his proportion and pay him the net proceeds and the Liquidators shall, if practicable act accordingly.

SECRECY CLAUSE

Secrecy Clause

- 237. (a) Every Director, Key Managerial Personnel, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Director, before entering upon his duties sign a declaration pleading himself to observe a strict secrecy respecting all transactions and affairs of the company with the customers and the state of the accountants with individuals and in matters which may come to his knowledge in the 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.
- (b) No Member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company's trading, or any matter which may relate to the conduct of the business of the company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

INDEMNITY AND RESPONSIBILITY

Directors and Others Right to Indemnity

238. Every Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorised representative of the Company shall be indemnified by the Company and for this purpose may have relevant third party insurances procured by the Company in their favour, for all costs, fees, penalty, deposit, losses and expenses (including travelling expenses) which such Director, Manager, Secretary, Officer or employee or authorized representative may suffer or is likely to suffer in any way during the course of discharge of his duties including expenses and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the Company and have priority between the members over all other claims. Provided that no Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company shall be entitled to be indemnified by the Company or have insurance procured therefor in circumstances where any amounts directly or indirectly arise out of or in connection with any fraud, gross negligence, breach of trust or material and willful default on the part of such Director, Managing Director, Whole-time Director, Manager, Secretary and other Officer or employee or authorized representative of the Company.

Director and Other Officers not Responsible for the Acts of Others

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

An Independent Director, and a non-executive director not being a promoter or a Key Managerial Personnel, shall be liable only in respect of acts of omission or commission, by the Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he has not acted diligently.

SOCIAL OBJECTIVE

240. **Social Objective**
The Company shall have among its objectives the promotion and growth of the national economy through increased productivity, effective utilization of material and manpower resources and continued application of modern scientific and managerial techniques in keeping with the national aspirations and the Company shall be mindful of its social and moral responsibilities to the consumers, employees, shareholders, society and the local community.

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Deleted

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¹ Deleted vide the postal ballot notice dated February 3, 2020 w.e.f. 18.03.2020

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

	Name, addresses, descriptions, occupation and signature of the subscribers	Number of Equity Shares taken by each Subscriber	Name/s and Signature/s of the witness/es and their Address/es Description/s and Occupation/s
1.	<p>VORA ARUNKUMAR JAYANTILAL S/O. VORA JAYANTILAL JIVRAJ A/13, TULIP BUNGALOWS, OPP. T.V. TOWER STATION, UTSAV RAW HOUSE ROAD DRIVE IN ROAD AHMEDABAD-380 052</p> <p>BUSINESS Sd/- A.J. Vora</p>	100 (One Hundred) Equity Shares	<p>COMMON WITNESS ASHWIN SHAH S/O.AMRUTLAL D.SHAH 22, DOLLY COMPLEX STADIUM CIRCLE NAVRANGPURA AHMEDABAD-380052 OCC. : COMPANY SECRETARY SD/- A.A.SHAH</p>
2.	<p>VORA ASHWIN ARUN W/O. VORA ARUN JAYANTILAL A/13, TULIP BUNGALOWS, OPP. T.V. TOWER STATION, UTSAV RAW HOUSE ROAD DRIVE IN ROAD AHMEDABAD-380 052</p> <p>BUSINESS SD/- A.J. VORA</p>	100 (One Hundred) Equity Shares	
3.	<p>RUMEER ASHWIN SHAH S/O. ASHWIN AMRUTLAL SHAH 21, DOLLY COMPLEX STADIUM CIRCLE, NAVRANGPURA AHMEDABAD-380 009</p> <p>STUDY SD/- RUMEER SHAH</p>	100 (One Hundred)	
4.	<p>NEHA ASHWIN SHAH W/O. ASHWIN SHAH 13, SAKET ROW HOUSES MEMNAGAR, AHMEDABAD-380 052</p> <p>OCC. : BUSINESS SD/- NEHA SHAH</p>	100 (One Hundred)	
I hereby declare that the 1 st & 2 nd subscribers have subscribed in their own handwritings. The Age of 3 rd subscriber is 20 years. Sd/- Jignesh			

	Name, addresses, descriptions, occupation and signature of the subscribers	Number of Equity Shares taken by each Subscriber	Name/s and Signature/s of the witness/es and their Address/es Description/s and Occupation/s
5.	NIKHIL VINOD SHAH S/O. VINODCHANDRA SHAH M 73/435 PRAGATINAGAR NARANPURA, AHMEDABAD-13 SERVICE SD/- N.V. SHAH	100 (One Hundred)	
6.	JIGNESH BHARATBHAI DAVE S/O. BHARATBHAI K. DAVE D-26, TULSIKUNJ GHODASAR – 380 050 AHMEDABAD STUDY SD/- J.B. DAVE	100 (One Hundred)	COMMON WITNESS ASHWIN SHAH S/O.AMRUTLAL D.SHAH 22, DOLLY COMPLEX STADIUM CIRCLE NAVRANGPURA AHMEDABAD-380052 OCC. : COMPANY SECRETARY SD/- A.A.SHAH
7.	KIRIT HARISHANKAR TRIVEDI S/O HARISHANKAR TRIVEDI 105, SOHAM SQUARE CHAITANYANAGAR SOCIETY NAVJIVAN, AHMEDABAD-380 014 CHARTERED ACCOUNTANTS SD/- KIRIT TRIVEDI	100 (One Hundred)	
	Total	700 (Seven Hundred)	

The age of the 6th subscriber is 21 years.

Place: Ahmedabad

Dated this 26th day of April, 1995.

O/O No. 2451/04 (2004) 290
Compt. No. 2451/04
Total Rs. 15,000/-

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORIGINAL JURISDICTION

COMPANY PETITION NO. 224 OF 2004

CONNECTED WITH

COMPANY APPLICATION NO. 294 OF 2004

25/3/05

25/3/05

25/3/05

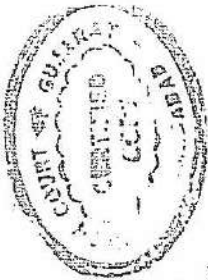
In the matter of the Companies Act,
1956 (1 of 1956);

AND

In the matter of Section 391 & 394
of the Companies Act I of 1956;

AND

In the matter of Scheme of
Arrangement between Eipee-
welspun PipeCoatings (India)
Limited and Welspun Gujarat Stahl
Rohren Limited, and their respective
members and creditors.



Welspun Gujarat Stahl Rohren Limited
an existing Company incorporated
and registered under the Companies Act,
1956 and having its Registered Office at
Village Jolva & Vadadla, Nr. Dahej,
Taluka Vagra, Dist. Bharuch,
Gujarat - 392 130.

...Transferee Company
/ Petitioner

BEFORE THE HON'BLE MR. JUSTICE K.A. PUJ

Dated 15th March 2005

ORDER UNDER SECTION 394

The above petition coming on for hearing on 7th March 2005 and
upon reading the said petition, the order dated 31st day of August
2004 read with the order dated 15th day of September 2004 passed in

[Handwritten signature]

Company Application 294 of 2004 whereby the Applicant Company was ordered to convene separate meetings of the unsecured and trade creditors, secured creditors and members of the Applicant Company for the purpose of considering, and if thought fit, approving, with or without modification(s), the arrangement proposed to be made between Eupec-Welspun Pipe Coatings (India) Limited and the Applicant Company and their respective members and creditors, annexed to the affidavit in support of Devendra K. Patil, Company Secretary of the Applicant Company dated the 16th day of August 2004, the English issue dated 6th day of September 2004 of Western Times, the Gujarati issue dated 6th day of September 2004 of Western Times, the English issue dated the 17th day of September 2004 of Indian Express and the Gujarati issue dated the 17th day of September 2004 of Sandesh each containing the advertisement of the said notice convening the said meetings, and the affidavit of Devendra K. Patil dated the 21st day of September 2004 showing the publication and dispatch of the notices convening the said meetings, the proposed arrangement as modified at the meetings of the members, the secured creditors and the unsecured and trade creditors of the Applicant Company and annexed to the report of the Chairman of the said meetings dated 18th day of October 2004 as to the result of the said meetings, the affidavit of Devendra K. Patil, dated the 21st day of December 2004 seeking certain modifications to the proposed arrangement and upon hearing Shri Saurabh Sorparkar, Senior Advocate and Shri Devang Nanavati, advocate for the Applicant Company and it appearing from the report that the proposed arrangement has been approved unanimously.

This Court doth hereby sanction the Scheme of Arrangement between Eupec Welspun PipeCoatings (India) Limited (the "transferor company") and Welspun Gujarat Stahl Rohren Limited (the "Transferee Company"), and their respective members and

creditors, as modified by the Affidavit of Devendra K. Patil dated 21st day of December 2004, annexed at Schedule A hereto ("Scheme of Arrangement") and doth hereby declare the same to be binding with effect from the first day of April in the year two thousand and three (the "Appointed Date") on the transferor company and the Transferee Company and their respective members and creditors.

THIS COURT DOTH ORDER

- (1) That all the property, rights and powers of the transferor company including those specified in the first, second and third parts of Schedule B hereto and all other property, undertaking, assets, rights and powers of the transferor company be transferred with effect from the Appointed Date, without further act or deed to the Transferee Company and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and vest in the Transferee Company for all the estate and interest of the transferor company therein but subject nevertheless to all charges now affecting the same; and
- (2) That all the debts, liabilities, debentures, contingent liabilities, duties and obligations of every kind, nature and description of the transferor company be transferred with effect from the Appointed Date, without further act or deed to the Transferee Company and accordingly the same shall, pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company; and



[Handwritten signature]

- (3) That all legal or other proceedings now pending by or against the transferor company be continued by or against the Transferee Company; and
- (4) That the Transferee Company do without further application issue and allot to members of the transferor company shares in the Transferee Company to which they are entitled under clause 7 of Part II of the Scheme of Arrangement; and
- (5) That the equity share capital of the Transferee Company be re-organised in the manner contemplated in clause 7A of Part II of the Scheme of Arrangement; and
- (6) That the transferor company do within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered the transferor company shall be dissolved and the Registrar of Companies shall place all documents relating to the transferor company, and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly; and
- (7) This court further orders that the cost of the petition to be paid to the learned Assistant Solicitor General is quantified at Rs.3500/- and the same may be paid to Shri J.M.Malkan.
- (8) That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

WSP (Scheme of Arrangement Page nos. 1 to 25) *WSP*

WSP

SCHEME OF ARRANGEMENT
(as modified)
BETWEEN
EUPEC-WELSPUN PIPECOATINGS (INDIA) LIMITED
AND
WELSPUN-GUJARAT STAHL ROHREN LIMITED
AND
THEIR RESPECTIVE MEMBERS AND CREDITORS
(Under Sections 391 and 394 of the Companies Act,
1956)

Part 1 – General

1. WELSPUN GUJARAT STAHL ROHREN LIMITED

Welspun-Gujarat Stahl Rohren Limited, a company incorporated under the provisions of the Companies Act, 1956, (Act I of 1956) and having its registered office at Village Jolva & Vadadla, Near Dahej, Taluka Vagra, Dist. Bharuch, Gujarat - 392 130 (hereinafter referred to as "WGSRL") is engaged in the business of manufacturing Longitudinal and Spiral submerged arc welded (SAW) pipes and other allied activities incidental or ancillary thereto. It has also made significant investments in Eupec-Welspun PipeCoatings (India) Limited.

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2. EUPEC-WELSPUN PIPECOATINGS (INDIA) LIMITED

Eupec-Welspun PipeCoatings (India) Limited is a company incorporated under the provisions of the Companies Act, 1956, (Act I of 1956) and having its registered office at Village Jolva & Vadadla, Near Dahej, Taluka Vagra, Dist. Bharuch, Gujarat - 392 130 (hereinafter referred to as 'EWPC'). EWPC is engaged in the business of coating pipes including 3 Layer Polyethylene (3LPE), Coal Tar Enamel (CTE), Fusion Bonded Epoxy (FBE), Concrete Weight Coating and other internal and external coating processes. The shareholding pattern of EWPC is as follows:

Shareholder	No of shares	Proportion (%)
WGSRL	8,150,000	31.9%
Other Welspun Group companies	3,500,000	13.7%
Eupec PipeCoatings GmbH	11,650,000	45.6%
IFCI	2,250,000	8.8%
Total	25,550,000	

EUPEC Germany and WGSRL are in joint control of, and are co-promoters of EWPC.

3. THE SCHEME

(A) This composite Scheme of Arrangement (hereinafter referred to as the 'Scheme') provides for the amalgamation of EWPC with WGSRL and the consequent issue of equity shares of WGSRL to the shareholders of EWPC and reduction in capital of WGSRL, in accordance with the relevant provisions of the Companies Act, 1956.

(B) The Scheme is divided into the following parts:

(a) Part 1 deals with the introductions and definitions

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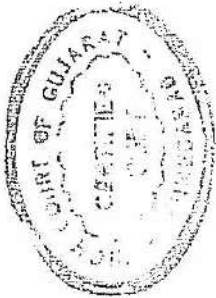
- (b) Part 2 deals with the amalgamation of EWPCCL with WGSRL and the consequent issue of equity shares of WGSRL to the shareholders of EWPCCL and reduction in capital of WGSRL; and
- (c) Part 3 deals with the general terms and conditions that will be applicable to Part 2 of the Scheme.

(C) This Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

4. DEFINITIONS

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

- 4.1 "The Act" means the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.
- 4.2 "The Scheme" or "this Scheme" means this Scheme of Arrangement in its present form with or without any modification(s) pursuant to clause 17 of this Scheme.
- 4.3 "EUPEC Germany" means EUPEC PipeCoatings GmbH a company incorporated under the laws of the [Federal Republic of Germany] and having its principal office at Friedrich-Ebert-Strasse 154-D-45473, Mulheim an der Ruhr, Germany.
- 4.4 "EWPCCL" means Eupec-Welspun PipeCoatings (India) Limited a company incorporated under the Act and having its registered office at Village Jolva and Vadadia, Near Dahej, Taluka Vagra, District Bharuch, Gujarat - 392130.
- 4.5 "WGSRL" means Welspun-Gujarat Stahl Rohren Limited, a company incorporated under the Act and having its registered

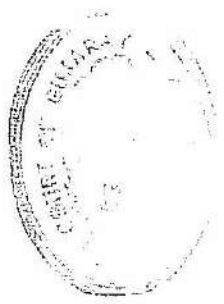


office at Village Jolva and Vadadia, Near Dahej, Taluka Vagra, District Bharuch, Gujarat - 392130.

4.6 "Appointed Date" means the 1st day of April, 2003 or such other date as may be fixed or approved by the High Court of Gujarat.

4.7 "Effective Date" means the last of the following dates, namely (a) date on which the certified copies of the Orders of the Gujarat High Court sanctioning the Scheme are filed with the Registrar of Companies, Gujarat and (b) date on which the last of all such consents, approvals, permissions, resolutions, agreements, sanctions and orders necessary thereto have been obtained or passed.

4.8 "Record Date" means the date to be fixed by the Board of Directors or a committee thereof of WGSRL and EWPCCL for the purpose determining the members of EWPCCL to whom equity shares of WGSRL will be allotted pursuant to this Scheme.



5. SHARE CAPITAL

5.1 EWPCCL

The share capital of EWPCCL as on March 31, 2004 is as under:

	Amount in Rs.
Authorised:	
255,50,000 Equity Shares of Rs. 10 each	2555,00,000
	<u>2555,00,000</u>
Issued, Subscribed and Paid-up:	
255,50,000 Equity Shares of Rs. 10 each	2555,00,000
	<u>2555,00,000</u>

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Subsequent to the aforementioned balance sheet date of 31 March 2003, there has been no change in the issued, subscribed and paid up capital of EWPCCL. Of the above, 81,50,000 equity shares are held by WGSRL.

5.2 WGSRL

The share capital of WGSRL as on March 31, 2003 is as under:

	Amount in Rs.
Authorised:	
15,90,00,000 Equity Shares of Rs. 10 each	159,00,00,000
	<u>159,00,00,000</u>
Issued, Subscribed and Paid-up:	
14,13,55,760 Equity Shares of Rs. 10 each	141,35,57,600
Less: Calls in Arrears	62,61,000
	<u>14,072,96,600</u>

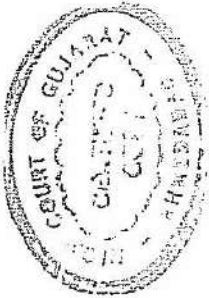


Subsequent to the aforementioned balance sheet date of 31 March 2003, WGSRL has received Calls in Arrears of Rs.12,11,000 in respect of 2,42,200 equity shares and has forfeited 10,10,000 equity shares for non-payment of Call in Arrears. Subsequently, the forfeited equity shares were re-issued by WGSRL. Consequent to re-issue of forfeited equity shares, the paid-up share capital of WGSRL has increased to Rs. 141,35,57,600.

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The share capital of WGSRL as on March 31, 2004 is as under:

	Amount in Rs.
Authorised:	
15,90,00,000 Equity Shares of Rs. 10 each	159,00,00,000
	<u>159,00,00,000</u>
Issued, Subscribed and Paid-up:	
14,13,55,760 Equity Shares of Rs. 10 each fully paid up	141,35,57,600
	<u>141,35,57,000</u>

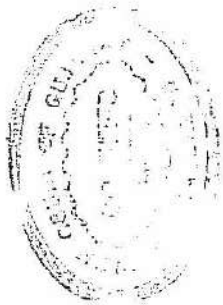


PART 2 – AMALGAMATION OF EWPCl INTO WGSRL

6. TRANSFER OF UNDERTAKING

- 6.1 With effect from the Appointed Date and subject to the provisions of this Scheme in relation to the mode of transfer and vesting, the undertaking and the entire businesses and all the movable and immovable properties, real or personal, corporeal or incorporeal, including fixed assets, capital assets, capital work-in-progress, current assets, investments of all kinds, lease and hire purchase contracts, lending contracts, benefits of any security arrangements, reversions, powers, authorities, allotments, approvals, consents, licenses including engagements, arrangements, rights, title, interest, quotas, benefits and advantages of whatsoever nature and wheresoever situated, belonging to or in the ownership, power or possession and/ or in the control of or vested in or granted in favour of and enjoyed by EWPCl including all patents, trademarks, copyrights, trade names and other intellectual property rights of any nature whatsoever,

whether registered or unregistered and licenses in respect thereof, privileges, liberties, easements, advantages, exemptions, benefits, leases, leasehold rights, tenancy rights, ownership flats, quota rights, permits, approvals, authorisations, right to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, power lines, communication lines and other services, reserves, deposits, provisions, funds, benefit of all agreements, subsidies, grants, tax credits, income tax, sales tax, turnover tax, excise, unavailed sales tax incentives from the Government of Gujarat, customs and all other interests arising of EWPCL and any accretions and additions thereto after the Appointed Date (hereinafter collectively referred to as the 'the said assets') shall be transferred to and vested in and/ or deemed to be transferred to and vested in WGSRL, without any further act or deed or instrument, pursuant to the provisions of Section 394 of the said Act for all the estate, assets, right, title and interest of EWPCL herein, so as to become as and from the Appointed Date, the estate, assets, rights, title and interests of WGSRL.



6.2 The Scheme shall be subject to existing charges/ hypothecation/ mortgage (if any as may be subsisting) created in favour of any Banks and Financial Institutions, over or in respect of the said assets or any part thereof. Provided however that any reference in any security documents or arrangements, to which EWPCL is a party, to such assets of EWPCL offered or agreed to be offered as security for any loans, advances or other financial assistance both availed and to be availed, up to any limit, such security, mortgage and/ or charge, shall not extend or be deemed to extend, to any of

the assets or to any of the other units or divisions of WGSRL, unless specially agreed to by WGSRL with such secured creditors and subject to the consents and approvals of the existing secured creditors of WGSRL.

6.3 It is expressly provided that in respect of such of the said assets as are movable in nature or are otherwise capable of transfer by manual or constructive delivery and/ or by endorsement and delivery, the same shall be so transferred by EWPCIL and shall become the property of WGSRL in pursuance of the provisions of Section 391 and 394 of the said Act, as an integral part of the undertaking of WGSRL, such transfer being deemed to have taken place at the location of the Registered Office of WGSRL, i.e., in the State of Gujarat.

6.4 In respect of the said assets other than those referred to in sub-clause 6.3 above, the same shall as more particularly provided in sub-clause 6.1 hereof, without any further act, instrument or deed, be transferred to and vested in and/ or deemed to be transferred and vested in WGSRL on the Appointed Date, pursuant to the provisions of Section 391 and 394 of the said Act. The vesting of all such assets, shall by virtue of the provisions of this Scheme, the effect of the provisions of this Scheme, and the effect of the provisions of Section 391 and 394 of the said Act, be deemed to have taken place at the location of the Registered Office of WGSRL, i.e., in the State of Gujarat.

6.5 With effect from the Appointed Date, all debts, liabilities, debentures, contingent liabilities, duties and obligations of every kind, nature and description of EWPCIL shall also, under the

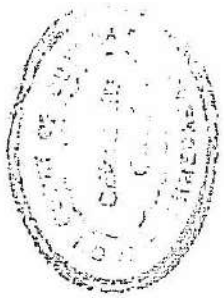
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provisions of Sections 391 and 394 of the Act, without any further act or deed, be transferred to and/or deemed to be transferred to WGSRL so as to become as from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of WGSRL and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause. Provided Always that nothing in this clause shall or is intended to enlarge the security for any loans, advances or other financial assistance/ indebtedness created by EWPCCL prior to the Appointed Date, which shall be transferred to and vested in WGSRL by virtue of the amalgamation

- 6.6 All the loans, advances or other financial assistance sanctioned to EWPCCL by any Banks or Financial Institutions prior to the Appointed Date, which are partly drawn/ utilised shall be deemed to be the loans, advances or other financial assistance sanctioned to WGSRL and the said loans, advances or other financial assistance shall be drawn/ utilised either partly or fully by EWPCCL from the Appointed Date till the Effective Date and all the loans, advances and other financial assistance so drawn by EWPCCL (within the over all limits sanctioned by the said Banks and Financial Institutions) and outstanding as on the Effective Date shall be treated as loans, advances and other financial assistance made available to WGSRL under the relevant loan agreement and shall become the obligation of WGSRL without any further act, or deed on the part of WGSRL.

6.7 Upon the coming into effect of this Scheme, the borrowing limits of WGSRL in terms of Section 293(l) (d) of the said Act, shall without further act or deed stand enhanced by an amount equivalent to the authorised borrowing limits of EWPCCL, such limits being incremental to the existing limits of WGSRL. These limits as enhanced may be increased, from time to time, by WGSRL by obtaining sanction of its shareholders in accordance with the provisions of the said Act.

6.8 WGSRL, may at any time, after the coming into the effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds of confirmation in favour of the secured creditors of EWPCCL or any writings, as may be necessary, to be executed in order to give formal effect to the above provisions. WGSRL shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of EWPCCL and implement or carry out all such formalities or compliance referred to above on the part of EWPCCL to be carried out or performed.



7. ISSUE OF SHARES BY WGSRL

7.1 Upon the Scheme finally coming into effect and in consideration of the transfer of all the said assets and liabilities of EWPCCL to WGSRL in terms of the Scheme, the equity shares held by WGSRL in EWPCCL shall stand cancelled.

7.2 Upon this Scheme becoming effective, WGSRL shall, without any further application or deed, issue and allot to every member of EWPCCL (except WGSRL), holding fully paid up equity shares in

EWPCCL and whose names appear in the register of members of EWPCCL on the Record Date, 2 (two) equity shares of the face value of Rs. 10 each of WGSRL credited as fully paid-up, in respect of every 3 (three) equity shares of the face value of Rs. 10 each fully paid-up held by such member in EWPCCL.

7.2A Pursuant to the issue and allotment of equity shares to members of EWPCCL in accordance with clause 7.2 above, EUPEC Germany (being the holder of 116,50,000 equity shares of EWPCCL, as well as being co-promoter and in joint control of EWPCCL), shall acquire joint control of WGSRL, along with the existing promoters of WGSRL. The amount and extent of control acquired by EUPEC Germany in WGSRL pursuant to this Scheme may be set out/ recorded in agreements executed pursuant to this Scheme becoming effective.



7.3 For the purpose of allotment and issue of equity shares as aforesaid, an entitlement to a fraction of less than 1/2 of an equity share of WGSRL shall be ignored and an entitlement to a fraction of more than or equal to 1/2 of an equity share of WGSRL shall be treated as one equity share.

7.4 The equity shares so issued and allotted by WGSRL to members of EWPCCL shall have rights attached thereto as under:

- (a) The equity shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of WGSRL.
- (b) WGSRL shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities

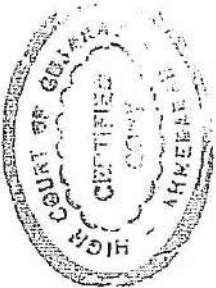
for the issue and allotment of equity shares to the members of EWPCCL under the Scheme.

- (c) The equity shares to be issued by WGSRL in respect of any equity shares of EWPCCL which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall, pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by WGSRL.
- (d) The equity shares issued by WGSRL as per this clause 7 shall subject to the provisions of the relevant listing agreements, payment of appropriate fees and other applicable regulations, be listed on the Mumbai, Ahmedabad and National Stock Exchange.
- (e) All those shareholders who hold equity shares of EWPCCL in certificate form will be issued equity shares of WGSRL in the certificate form unless otherwise required by law or otherwise communicated in writing by the shareholders to WGSRL on or before such date as may be determined by the Board of Directors of WGSRL or a committee thereof.
- (f) The equity shares to be issued and allotted by WGSRL shall rank *pari passu* in all respects from the Appointed Date in terms of this Scheme, with the existing equity shares of WGSRL, with all rights thereto, and shall be entitled to full dividend, if any, which may be declared by WGSRL after the Effective Date of the Scheme.

7.5 In the event of there being any pending share transfer, whether lodged or outstanding, of any shareholder of EWPCCL, the Board of

Directors or any committee thereof, of WGSRL shall be empowered in appropriate circumstances to be determined at their sole discretion even subsequent to the Record Date or the Effective Date as the case may be, to effectuate such transfer in WGSRL as if such changes in the registered holder were operative from the Record Date.

7.6 In the event of WGSRL issuing any shares or any bonds or any debentures (non-convertible or partly or fully convertible) or any shares by way of bonus or rights to its shareholders on or after the date of acceptance of the Scheme by the respective Board of Directors of EWPCIL and WGSRL, and before issue of equity shares under clause 7 hereof, WGSRL shall reserve for allotment to the members of EWPCIL, the number of such shares, bonds or debentures to which the members of EWPCIL would be entitled in terms of such issue, if this Scheme had become effective immediately prior to such issue. The shares, bonds or debentures so reserved as aforesaid shall be allotted (in the case of bonus shares) or offered (in case of rights issue) to the members of EWPCIL only if this Scheme becomes effective as specified herein and on the terms and conditions as those governing such allotment or issue to the members of WGSRL.



7A. REORGANISATION OF THE EQUITY SHARE CAPITAL OF WGSRL

7A.1 Consequent to the Scheme becoming effective, the fully paid-up share capital of WGSRL after giving effect to the provisions of clause 7, shall be reduced as under:

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- (a) The reduction shall be effected in the first instance by cancelling Rs. 6.50/- of every equity share of Rs.10/- fully paid up; and
- (b) After the reduction referred to in clause 7A.1(a) above, the fully paid up equity shares of Rs. 3.50/- each shall be consolidated into equity shares of Rs. 5/- each fully paid up, subject to fractional entitlements discussed in clause 7A.2 below.

7A.2 The reduction of capital as aforesaid shall be effected as a part of the Scheme and not under a separate process in terms of sections 100 to 103 of the Act as it does not involve either diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital and hence WGSRL is allowed to dispense with using of the words "and reduced" after the corporate name. However the order of the Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming such reduction There shall be no distribution of dividend on share capital contributed by the shareholders of WGSRL upon the reduction of capital as aforesaid.

7A.3 The Board of Directors of WGSPL shall consolidate all fractional entitlement, if any, arising due to the reorganisation of capital contemplated under this clause 7 and shall allot equity shares in lieu thereof to a director or officer of WGSRL or such other person as the Board of Directors of WGSRL shall appoint in this behalf who shall hold the equity shares in trust on behalf of the members entitled to fractional entitlements with the express understanding that such director(s), officer(s) or person(s) shall sell the same in

the market at such time or times and at such price or prices and to such person or persons, as it/ he/ they ,may deem fit, and to WGSRL, the net sale proceeds thereof, whereupon WGSRL shall distribute such net sale proceeds subject to taxes, if any, to the members in accordance with their respective fractional entitlements.

7A.4 The share certificates of WGSRL in relation to the equity shares held by its equity shareholders shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled pursuant to the reorganisation of capital contemplated in this clause 7A and new share certificates with the revised number of equity shares will be issued by WGSRL. It is clarified that the number of equity shares held in dematerialised form will be reduced automatically.



7A.5 The reorganisation of capital contemplated in this clause 7 shall be effected after giving effect to the issue of shares contemplated in clause 7.2.

7A.5 Accordingly, on this Scheme becoming effective the Authorised, Issued, Subscribed and Paid-Up Share Capital of WGSRL shall be as under:

	Amount in Rs.
Authorised:	
38,40,00,000 Equity Shares of Rs. 5/- each	192,00,00,000
2,30,00,000 Preference Shares of Rs. 10/- each	23,00,00,000
	215,00,00,000
Issued, Subscribed and Paid-up:	
10,70,69,032 Equity Shares of Rs.5/- each	53,53,45,160

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22,105,000 Optionally Convertible Cumulative Preference Shares of Rs. 10 each convertible into equity shares.	22,10,50,000
	75,63,95,160

7A.6(i) The existing clause V of the Memorandum of Association of WGSRL be replaced with the following clause V:

"The Authorised Share Capital of the Company is Rs.215,00,00,000 (Rupees Two Hundred Fifteen Crores Only) divided into 19,20,00,000 (Ninety crores twenty lacs Only) Equity Shares of Rs.5/- (Rupees Five Only) each and 2,30,00,000 (Two Crores Thirty Lacs Only) Preference Shares of Rs.10/- (Rupees Ten Only) each."



(ii) "The Authorised Share Capital of the Company is Rs.215,00,00,000 (Rupees Two Hundred Fifteen Crores Crores Only) divided into 19,20,00,000 (Nineteen Crores Twenty Lacs Only) Equity Shares of Rs.5/- (Rupees Five Only) each and 2,30,00,000 (Two Crores Thirty Lacs Only) Preference Shares of Rs.10/- (Rupees Ten Only) each".

"The Authorised Share Capital of the Company is Rs.215,00,00,000 (Rupees Two Hundred Fifteen Crores Only) divided into 38,40,00,000 (Thirty Eight Crores Forty Lacs Only) Equity Shares of Rs.5/- (Rupees Five Only) each and 2,30,00,000 (Two Crores Thirty Lacs Only) Preference Shares of Rs.10/- (Rupees Ten Only) each.

8 ACCOUNTING TREATMENT IN THE BOOKS OF WGSRL

8.1 WGSRL shall, upon the amalgamation becoming operative, record the said assets and liabilities of EWPCl vested in it pursuant to this

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Scheme, at their respective book values (including the amount of revaluation, if any).

8.2 WGSRL shall credit to its share capital account the aggregate face value of the equity shares issued by it to the members of EWPCCL pursuant to this Scheme.

8.3 The excess or deficit, if any, remaining after recording the aforesaid entries shall be credited by WGSRL to general reserve or debited to goodwill, as the case may be.

8.4 Upon this Scheme coming into effect, to the extent that there are inter-corporate balances, loans or other liabilities/ obligations due between or amongst WGSRL and EWPCCL, such liabilities/ obligations shall come to an end and corresponding effect shall be given to the books of account and records of WGSRL for the reduction of the said liabilities/ obligations, as the case may be. In so far as any securities, debentures or notes issued by EWPCCL and held by WGSRL, and vice versa, are concerned, the same shall, unless sold or transferred by EWPCCL or WGSRL, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date and shall be of no effect and EWPCCL or WGSRL, as the case may be, shall have no further obligation outstanding in that behalf.

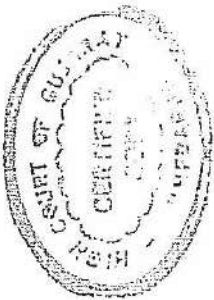
8.5 It is further provided that upon the Scheme coming into effect, the reserves and surplus of EWPCCL whether capital or revenue, shall be recorded in the books of WGSRL at their existing carrying amounts and in the same form as they appear in the books of EWPCCL at the Appointed Date, except in the case of Surplus in Profit & Loss account, the surplus amount shall be reduced for any

Debit Balance under the head Miscellaneous Expenditure not written off or adjusted.

9 BUSINESS AND PROPERTY IN TRUST FOR WGSRL

9.1 With effect from the Appointed Date and up to and including the Effective Date:

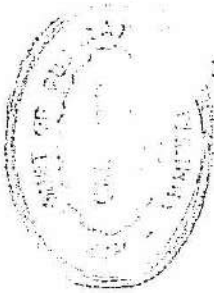
- (a) EWPCCL shall (i) carry on and be deemed to have carried on its business and activities in trust for WGSRL, (ii) shall stand possessed of all of the said assets in trust for WGSRL, and (iii) shall account for the same to WGSRL.
- (b) Any income or profit accruing or arising to EWPCCL and all costs, charges, expenses and losses arising or incurred by EWPCCL shall for all purposes be treated as and shall be deemed to be the income, profits, costs, charges, expenses and losses, as the case may be, of WGSRL.
- (c) On March 29, 2004, being a date after the Appointed Date, EWPCCL has paid an interim dividend of Rs. 3,83,25,000/- (Rupees three crores eighty three lakhs twenty five thousand only) to its shareholders. The impact of this payment has been incorporated in the number of equity shares to be issued to the shareholders of EWPCCL upon the Scheme becoming effective. Shareholders of WGSRL shall not be entitled to the interim dividend paid to shareholders of EWPCCL on March 29, 2004 in any circumstances and shareholders of WGSRL shall not make any claim for or regarding the same.



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Other than the above-said dividend, EWPCCL shall not utilize its profits or income, if any, for the purpose of declaring or paying any dividend or for any other purpose in respect of any period falling on and after the Appointed Date, without the prior written consent of WGSRL.

9.2 WGSRL shall be entitled, pending the sanction of the Scheme, to apply to the Central/ State Government(s) and all other agencies, departments and authorities concerned for such consents, approvals and sanctions (if any) which WGSRL may require under any law for the time being in force, to carry on the business of EWPCCL.



10 CONDUCT OF BUSINESS

10.1 AS and from the date of acceptance of this Scheme by the Board of Directors of EWPCCL and the Board of Directors of WGSRL and up to and including the Effective Date:

- (a) EWPCCL shall carry on its business with reasonable diligence and in the same manner as it had been doing hitherto fore, and EWPCCL shall not alter or expand its business except with the written concurrence of WGSRL.
- (b) EWPCCL shall not, without the written concurrence of the Board of Directors of WGSRL, alienate, charge, encumber or otherwise deal with or dispose of any of the said assets or any part(s) thereof except in the ordinary course of business or pursuant to any pre-existing obligation undertaken by EWPCCL prior to the date of acceptance of the Scheme by the respective Boards of Directors of EWPCCL and WGSRL. Provided however that EWPCCL shall be entitled, in the

ordinary course of business in relation to its borrowings required in connection with its business and operations, to borrow in the form of loans and consent of WGSRL shall not be required in this behalf.

- (c) EWPCl shall not vary or alter, except in the ordinary course of its business and as may be required for reorganization, the terms and conditions of employment of any of its employees.
- (d) EWPCl shall continue to comply with the provisions of the Act including those relating to preparation, presentation, circulation and filing of accounts as and when they become due for compliance.
- (e) EWPCl shall not make any modification to its capital structure either by an increase (by issue of right shares, bonus shares, convertible debentures or otherwise), decrease, reclassification, sub-division or re-organisation, or in any other manner, whatsoever, except by mutual consent of the Board of Directors of EWPCl and WGSRL.



11. STAFF, WORKMEN & EMPLOYEES

11.1 On the Scheme becoming operative, all staff, workmen and employees of EWPCl in service on the Effective Date shall become and be deemed to have become, staff, workmen and employees of WGSRL without any break or interruption in their service and on the basis of continuity of service, and the terms and conditions of their employment with WGSRL shall not be less favourable than those applicable to them with reference to EWPCl immediately

prior to the Effective Date. The position, rank and designation of the staff, workmen and employees may however (subject to applicable law), be decided by the Board of Directors of WGSRL, which shall also have the right (subject to applicable law), at its option to transfer any employees of to any unit or undertaking of WGSRL as may be deemed necessary.

11.2 It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other special scheme(s), fund(s) and trust(s) created or existing for the benefit of the staff, workmen and employees of EWPCCL shall become the funds/ trusts of WGSRL and WGSRL shall stand substituted for EWPCCL for all purposes whatsoever in relation to the administration or operation of such funds/ trusts and in relation to the obligation to make contributions to such funds/ trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds (if any) and other regulations governing such funds/ trusts, to the end and intent that all rights, duties, powers and obligations of EWPCCL in relation to such funds/ trusts shall become those of WGSRL. It is clarified that the services of the staff, workmen and employees of EWPCCL will be treated as having been continuous for the purpose of such funds/ trusts.



12. LEGAL PROCEEDINGS

12.1 All legal or other proceedings of whatsoever nature by or against EWPCCL pending and/or arising on or before the Appointed Date shall as and from the Effective Date be continued and enforced by

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or against WGSRL in the manner and to the same extent as would or might have been continued and enforced by or against EWPCCL.

12.2 WGSRL undertakes to have all legal or other proceedings initiated by or against EWPCCL referred to in sub-clause 12.1 above transferred into its name and to have the same continued, prosecuted and enforced by or against WGSRL to the exclusion of EWPCCL.

13. CONTRACTS, DEEDS, ETC.

13.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature to which EWPCCL is a party and subsisting or having effect on the Effective Date, shall be in full force and effect against or in favour of WGSRL, as the case may be, and may be enforced by or against WGSRL as fully and effectually as if, instead of EWPCCL, WGSRL had been a party thereto. WGSRL shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations (to which EWPCCL will, if necessary, also be a party), in order to give formal effect to the provisions of this clause 13, if so required or necessary.

13.2 WGSRL shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of EWPCCL and to implement or carry out all formalities required on the part of EWPCCL to give effect to the provisions of the Scheme. WGSRL shall also be entitled to secure approvals of such authorities as may be necessary whenever any approvals are necessary for the transfer of the said assets and liabilities or any part(s) thereof from EWPCCL to WGSRL pursuant to the Scheme.

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13.3 For the removal of doubts, it is expressly made clear that the dissolution of EWPCCL without the process of winding up as contemplated hereinafter, shall not, except to the extent set out in the Scheme, affect the previous operation of any contract, agreement, deed or any instrument to which EWPCCL is a party and shall not affect any right, privilege, obligations or liability acquired or deemed to have been acquired and all such reference in such agreements, contracts and instruments to EWPCCL shall be construed as reference only to WGSRL with effect from the Effective Date.

14. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the said assets and liabilities under clause 6 above, the continuance of legal proceedings under clause 12 above, and the continuance of contracts under clause 13 above by or against WGSRL after the Appointed Date shall not affect any transaction, contract or proceedings already concluded by EWPCCL in the ordinary course of business on or after the Appointed Date, to the end and intent that WGSRL accepts and adopts all acts, deeds and things done and executed lawfully by EWPCCL in respect thereto as done and executed on behalf of itself.

15. WINDING UP

On the Scheme becoming effective, EWPCCL shall be dissolved without being wound up.



PART 3- Other Terms and Conditions

16. APPLICATION TO HIGH COURT

EWPCL and WGSRL shall with all reasonable dispatch make applications under Sections 391 and 394 of the Act and other applicable provisions of the Act to the Gujarat High Court for seeking approval of the Scheme.

17. MODIFICATION OR AMENDMENTS TO THE SCHEME

EWPCL and WGSRL by their respective Board of Directors or any committee constituted by them may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Gujarat High Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. EWPCL and WGSRL by their respective Boards of Directors or any committee constituted by them be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authority or otherwise howsoever arising out of or by virtue of the Scheme or implementation thereof and/or any matter concerned or connected therewith.

18. CONDITIONALITY OF THE SCHEME

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

- 18.1 The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.

18.2 The approval by the requisite majority of shareholders and creditors of EWPC and WGSRL, as the case may be, as required under Section 391 of the Act.

18.3 All other sanctions and orders as are legally necessary or required in respect of the Scheme being obtained, including without limitation the sanction of the Scheme by the Hon'ble High Court of Gujarat under Section 391 and 394 of the Act and other applicable provisions of the Act, rules and regulations, as the case may be.

19. EFFECT OF NON-RECEIPT OF APPROVALS

In case the Scheme is not sanctioned by the Gujarat High Court, or in the event any of consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme is not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void, and EWPC and WGSRL shall bear the entire cost, charges and expenses in connection with the Scheme equally unless otherwise mutually agreed.

20. COSTS, CHARGES & EXPENSES

Subject to clause 19 above, all costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by WGSRL.

WGSRL

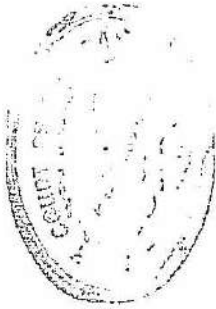
[Signature]

**SCHEDULE
DETAILS OF CERTAIN ASSETS**

PART 1

(Short Description of the Freehold Properties of the Transferor
Company)

All those pieces and parcels of leasehold non agricultural land admeasuring 74930 sq. mtrs. (approx.) or thereabout comprised in New Survey Nos. 216 of Jolva Village in the Registration Sub-district of Vagra, Distriet Bharuch, in the State of Gujarat



On or towards the North: by Survey No.209 & 217 of Village Jolva
On or towards the South: by Bharuch Dahej Main Road
On or towards the East: by Survey No.209, 215, 217 of Village Jolva
On or towards the West: by 219 & 220 of Village Jolva

together with all the buildings and structures thereon and all the plant and machinery attached to the earth or permanently fastened to anything attached to the earth.

PART 2

(Short Description of the Leasehold Properties of the Transferor
Company)

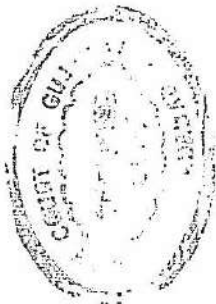
PARTICULARS OF LEASEHOLD PROPERTEIS OF THE
COMPANY AS ON 01.04.04

Sr. No.	Description	Value (Rs. in lacs)
NIL		

PART 3

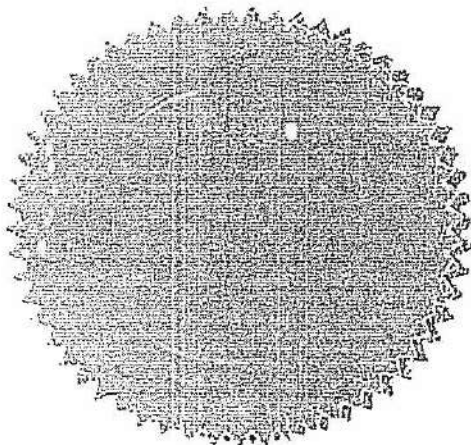
(Short Description of the Stocks, Shares, Debentures and Other
Choses In Action of the Transferor Company)

PARTICULARS OF ALL STOCKS, SHARES, DEBENTURES
AND OTHER CHARGES IN ACTION OF THE COMPANY AS
ON 01.04.04.



Sr. No.	Description	Value (Rs. in lacs)
	NIL	

WITNESS BHAVANI SINGH, ESQUIRE THE CHIEF
JUSTICE at Ahmedabad aforesaid this 15th day of March, 2005.



BY THE ORDER OF THE COURT

G. Upadhyay
REGISTRAR (JUDICIAL)

THIS 24th DAY OF March, 2005
GRJ
243

SEALER *DR. Subrat*

THIS 24th DAY OF March, 2005

ORDER DRAWN BY

Verbleff Advocate
M/s. Nanavati & Nanavati, Advocates
7th Floor, "Corporate House",
Judges Bungalow Road,
Sarkhej - Gandhinagar Highway,
Ahmedabad - 380 054.

Verbleff Advocate
The 24th March 2005

PAGES : 2-15

CHARGE : 2855

O/3812-3813/2014

Read By :

Prepared By : MR. P.D.TALATI

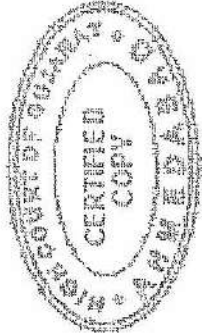
Examined By :

Applied on : 28/01/2014

Prepared on : 30/01/2014

Notified on : 30/1/14

Delivered on :



Dy.S.O.

Section Officer

Decree Department

Decree Department

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORDER PASSED BY THE COURT IN THE CASE OF

- 1 WELSPUN CORP LTD
WELSPUN CITY, VILLAGE: VERSAMEDI, TA: ANJAR
DIST: KUTCH, GUJARAT.

370110

Petitioner(s)

VERSUS

Respondent(s)

Being COMPANY PETITION No. 270 of 2013

Appearance on Record:

A & M & S SHROFF CO. as ADVOCATE for the Petitioner(s) No. 1

NOTICE NOT RECD BACK for the Respondent(s) No. 1

MR M.IQBAL A SHAIKH as ADVOCATE for the Respondent(s) No. 1

COURT'S ORDER :

CORAM :

HONOURABLE MR.JUSTICE R.M.CHHAYA

PAGES : 2

CHARGE : 7

O/3812-3813/2014

Read By :

Prepared By : MR. P.D.TALATI

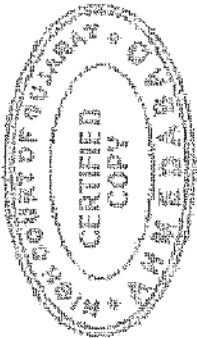
Applied on : 28/01/2014

Prepared on : 30/01/2014

Notified on :

Delivered on :

Examined By :



Dy.S.O.

Section Officer

Decree Department

Decree Department

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
ORDER PASSED BY THE COURT IN THE CASE OF

1 WELSPUN ENTERPRISES LTD
SURVEY NO 684, WELSPUN CITY, VILLAGE VERSAMEDI
TA: ANJAR, DIST: KUTCH, GUJARAT.

370110

VERSUS

Petitioner(s)



Respondent(s)

Being COMPANY PETITION No. 271 of 2013

Appearance on Record:

A & M & S SHROFF CO. as ADVOCATE for the Petitioner(s) No. 1

NOTICE NOT RECD BACK for the Respondent(s) No. 1

MR MIQBAL A SHAIKH as ADVOCATE for the Respondent(s) No. 1

COURT'S ORDER :

CORAM :

HONOURABLE MR.JUSTICE R.M.CHHAYA

Date of Decision: 10/01/2014
(COPY OF ORDER ATTACHED HEREWITH)



O/COMP/270/2013

ORDER

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION NO. 270 of 2013

In

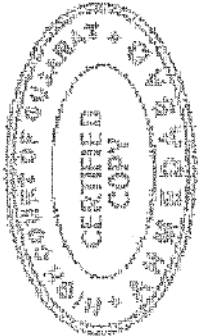
COMPANY APPLICATION NO. 232 of 2013

With

COMPANY PETITION NO. 271 of 2013

In

COMPANY APPLICATION NO. 233 of 2013



WELSPUN CORP LTD...Petitioner(s)

Versus

.....Respondent(s)

Appearance:

A & M & S SHROFF CO., ADVOCATE for the Petitioner(s) No. 1

MR M.IQBAL A SHAIKH, ADVOCATE for the Respondent(s) No. 1

CORAM: HONOURABLE MR.JUSTICE R.M.CHHAYA

Date: 10/01/2014

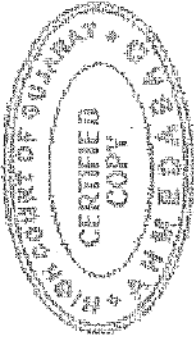
ORAL ORDER

1. Heard Mr.Saurabh Soparkar, learned Senior Advocate along with Mr. Nirag Pathak, learned advocates for Amarchand & Mangaldas & Suresh A. Shroff & Co., on behalf of the Petitioner Companies.
2. The present Petitions have been filed by the Petitioner Companies under Sections 391 to 394, read with Sections 78, 100 to 104 and other relevant provisions of the Companies Act, 1956 seeking sanction to the Scheme of Arrangement between Welspun Corp Limited (hereinafter referred to as Demerged Company) and Welspun Enterprises Limited (hereinafter referred to as Resulting Company) and their respective shareholders and creditors and

O/COMP/270/2013

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approval to the reduction of capital in their respective Companies in terms Minutes being Annexure U and Annexure R to their respective Company Petitions viz. Company Petition No. 270 of 2013 and Company Petition No. 271 of 2013 respectively. It has been contended that the Resulting Company is wholly owned subsidiary of the Demerged Company. The Petitioners have given in detail the background, circumstances, rationale and significant benefits envisaged due to the Scheme, in their respective Petitions.



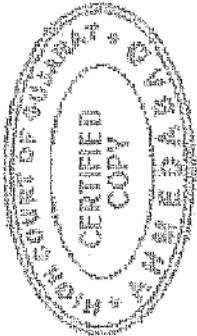
3. It is submitted on behalf of the Petitioner Companies that the Scheme inter alia provides for transfer by way of a Demerger of the Demerged Undertaking (defined in the Scheme) of the Demerged Company to the Resulting Company pursuant to Sections 391 to 394 of the Companies Act, 1956 and for reduction of capital of the Petitioner Companies under Sections 78, 100 to 104 and other relevant provisions of the Companies Act, 1956, as set out in the Scheme.

4. It has been submitted that the Demerged Company, the Petitioner Company in Company Petition No. 270 of 2013 is primarily engaged in the business of manufacturing line pipes used to transport oil, gas, water and other liquid and gaseous consumables and plates and coils required for manufacturing line pipes (the "Line Pipes Business") and the infrastructure business (including energy, water, road), the direct reduced iron (DRI) business, oil and gas, and EPC contracting business (the "Other Businesses") through its subsidiary and joint ventures. The Resulting Company, the Petitioner Company in Company Petition No. 271 of 2013 is company which was originally incorporated

C/COMP/27/2013

ORDER

with the object of carrying on the business of infrastructural facilities such as providing power, energy, oil & gas, electricity etc. However, being empowered to promote its business through joint venture or otherwise and demerged undertaking having one of its objects of business as infrastructural facilities.



5. By an order dated 13th September, 2013 passed in the Company Application No. 232 of 2013, filed by the Demerged Company, this Court had directed that the meetings of the equity shareholders, secured creditors and unsecured creditors of the Demerged Company be convened and held at the registered office of the Demerged Company. By the said order, the Chairman appointed for the said meetings was directed to report the result of the said meetings to this Court.

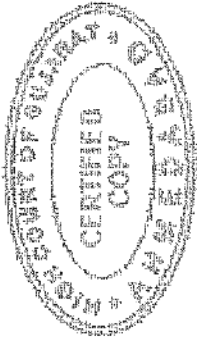
6. As directed by this Court, meetings of the Equity Shareholders, Secured Creditors and Unsecured Creditors, of the Demerged Company were held. The Chairman of the said meetings has filed three separate Reports of the said meetings all dated 23rd October, 2013 in this Honble Court, stating that the Scheme of Arrangement was approved with the requisite majority by the Equity Shareholders, Secured Creditors and Unsecured Creditors, of the Demerged Company respectively, present and voting, either in person or by proxy. Copies of the said Reports have been annexed as Annexures P, Q and R to the Petition.

7. PART III of the Scheme deals with reduction of share capital held by the Demerged Company in the Resulting Company and reduction in share premium account of the Demerged Company. Clause 52 of the Scheme postulates reduction of share premium account of the Demerged Company

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pursuant to clause 50.1(b) of the Scheme shall be effected as an integral part of the Scheme itself in accordance with provisions of Section 78 read with Sections 100 to 103 of the Companies Act, 1956 and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Companies Act, 1956 for the purpose of confirming the reduction. Similarly, Clause 51 of the Scheme postulates reduction of share capital of the Resulting Company as post allotment of shares by the Resulting Company in terms of clause 35 of the Scheme, the existing share holding of the Demerged Company in the Resulting Company shall be cancelled in accordance with provisions of Section 100 to 103 of the Companies Act, 1956 are the order of this Court sanction the Scheme shall be deemed to be the order under Section 102 of the Companies Act, 1956 for the purposes of the confirming the reduction.



8. Accordingly both the Petitioner Companies in their respective Extra Ordinary General Meetings, both held on 22nd October, 2013 passed a special resolution and approved their respective reduction in the capital of the respective Petitioner Companies.

9. The Petitioner Companies thereafter filed their respective Company Petitions in this Court seeking sanction to the Scheme. By the separate orders, both dated 18th November, 2013, this Court admitted both the Petitions and kept for hearing on 20th December, 2013 and directed the Petitioner Companies to give notice of hearing of the Petition to the Central Government through the Regional Director, Northwestern Region, Ministry of Corporate Affairs and also directed to publish notice of hearing of

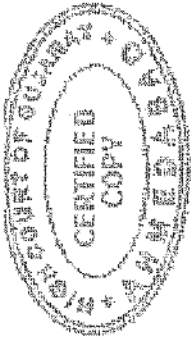
CYCOMP/270/2013

ORDER

the Petitions in the concerned newspapers. Publication of the Notice of hearing of the Petitions, in the Government gazette was dispensed.

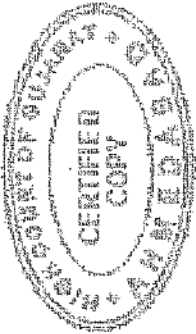
10. The notice for the hearing of the Petitions were accordingly published in the newspapers being English daily Indian Express' (Ahmedabad edition) and Gujarati daily Sandesh' (Kutch edition), dated 25th November, 2013. Pursuant to the said publication in the newspapers, no objections were received by the Petitioner Companies or its Advocate. Both the Petitioner Companies have filed their respective Affidavits dated 27th December, 2013 and 30th December, 2013 to this effect, stating that as on the date of the said Affidavit no objection to the knowledge of the Petitioner Companies have been received by the Petitioner Companies or their Advocates.

11. Notice of the hearing of the Petitions have been served upon Shri M.Iqbal A. Shaikh, learned standing counsel appearing for the Central Government on behalf of the Central Government. Mr. Shambhu Kumar Agarwal, the Regional Director, North-Western Region, Ministry of Corporate Affairs, filed an Affidavit dated 18th December, 2013 raising certain observations on the Petitions. The same pertains to - (a) dispute with regard non-furnishing of worksheet on the basis share exchange ratio arrived at; (b) non-compliance with requirements of SEBI circular dated 4th February, 2013 and 21st May, 2013; (c) Accounting standard & Accounting Policy; (d) selling of shares and credit of eligible proceeds of shares to be deposited before Central Government; (e) Non payment stamp duty and other applicable fees; (f) Appointed Date; (g) use of suffix and reduced in case of Demerged Company.



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12. The Demerged Company has filed its Additional Affidavit dated 2nd January, 2014, dealing with the observations of the Regional Director. The Resulting Company also filed an Affidavit, which is also dated 2nd January, 2014 vide which the Resulting Company craves leave to adopt the contents of the Affidavit of the Demerged Company to the extent the same was applicable to the Resulting Company.

13. The attention of this court is drawn to the Affidavit dated 2nd January, 2014, filed on behalf of the Demerged Company dealing with the observation of the Regional Director, whereby all the above issues have been dealt with, in detail in paragraph 2. I have further heard submissions made by the learned Senior Advocate Mr. Saurabh Soparkar, appearing for the Petitioner Company, as briefly set out hereunder;

- (a) With regard to the submission of the working sheets as calculation of the share exchange ratio in the valuation report is concerned, it is submitted that, an independent valuer was appointed for the valuation, and such independent valuer has arrived at the share exchange ratio based on their expertise and experience. It is further submitted that the valuer has, as is relevant, given the context that all the shareholders of the Demerged Company shall receive proportionate shareholding in the Resulting Company, based on his findings and given his recommendation on the basis of the

O/GOMP/27Q/2013

ORDER

book value of the assets and on the basis of the share capitals of the Demerged Company and the intended share capital of the Resulting Company. The share exchange ratio that has been arrived at by the valuer has been approved by more than the requisite majority of the shareholders and creditors of the Demerged Company in the court convened meeting held on 22nd October, 2013 without any questions raised. Mr. Soparkar in support of the aforesaid submission relied on the decision of *Miheer H. Mafatlal*, reported in (1996) 4 Comp LJ 124 (C), and submitted that the Honble Supreme Court has observed that, It has also to be kept in view that which exchange ratio is better is in the realm of commercial decision of well informed equity shareholders. Therefore, the submission with regard to working sheets is unwarranted.

(b) With regard to the non-compliance of requirements of SEBI circular dated 4th February, 2013 and 21st May, 2013, it is submitted that, the Demerged Company being a listed company has complied with the requirements of the provisions of SEBI circulars dated 4th February, 2013 and 21st May, 2013 and undertakes to this Hon'ble Court that it shall continue to comply with the provisions of SEBI circulars, as applicable to it.

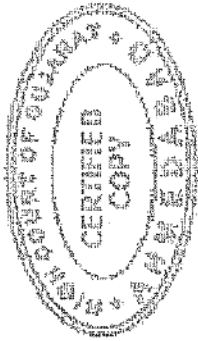
(c) With regard to the compliance of Accounting standard & Accounting Policy, it is submitted that there is no accounting standard in relation



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ORDER

to Demerger. It is open to the companies to follow such accounting policy/ practice as they deem fit. However, the Scheme is in compliance with the Accounting Standards. Mr. Soparkar further relied on the decision of the *Gallops Realty P. Ltd*, reported in (2009) 150 Comp. Cases 596 (Guj) and submitted that Accounting Standard is applicable only in cases of amalgamation and not in case of Demerger.



- (d) With regard to the submission of selling of shares and credit of eligible proceeds of shares to be deposited before Central Government, it is submitted that although the requirement not strictly required under the law, it is intended and represented that the selling of shares and credit of proceeds should go to eligible shareholders. However, it is pertinent to note that the shareholders have not objected to setting aside of insignificant sums of money in trust in terms of Clause 40 of the Scheme, in any case the Petitioner is willing not to insist for the *proviso* to Clause 40 of the Scheme.
- (e) With regard to Non payment stamp duty and other applicable fees, it is submitted that, the Petitioner Company shall pay the requisite stamp duty and other applicable fees, in accordance with law, if required after the sanction of the Scheme by the Honble Court.
- (f) With regard to Appointed Date, it is submitted that, in the current case the Appointed Date is not a material consideration for the

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ORDER

stakeholders and hence has not been objected to by any of the stakeholders. Mr. Soparkar relied on the decision of *Edelweiss Stock Broking Limited*, Company Petition No. 180 of 2011 and submitted that, the Ld. Company Judge of this Honble Court vide order dated 30.03.2012, overruled the objection of the R.D to fixation of 01.04.08 as Appointed Date and sanctioned the scheme as originally proposed. Mr. Soparkar further relied on the decision of the Division Bench of this Honble Court in O.J. Appeal 65 of 2009 whereby, the Division Bench modified the Appointed Date as granted by the Ld. Company Judge.

- (g) With regard to the use of suffix 'and reduced' in case of De-merged company, it was submitted that, there is no need for the Demerged Company and the Resulting Company to add the word 'and reduced', as observed by the Regional Director.

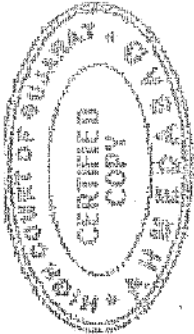
14. Considering all the facts and circumstances and taking into account all the contentions raised in the Affidavits and Reply Affidavits and the reliance placed on the judgments of the Apex Court and this High Court and the submissions made during the course of hearing, I am satisfied that the observations made by the Regional Director, Ministry of Corporate Affairs, do not survive. I have come to the conclusion that the present scheme of arrangement is in the interest of its shareholders and creditors as well as in the public interest and the same deserves to be sanctioned. However considering the



C/COMP/270/2013

ORDER

objections of the Regional Director as noted in paragraph 11(d) above and considering the fact that the Petitioners have, as noted in paragraph 13(d) above, also no objection for deletion of the proviso to Clause 40 of the Scheme, I direct that the modified Scheme after deletion of the proviso to Clause 40 is hereby sanctioned.



15. The Reduction of share capital of the Resulting Company and reduction in the share premium account of the Demerged Company and the Resulting Company as envisaged in their respective Petitions are approved and the Minutes dealing with respective reduction of the Petitioner Companies being Annexures U and R are hereby approved.

16. The Petitions are disposed of accordingly. So far as the costs to be paid to the Central Government, Standing Counsel are concerned, I quantify the same at Rs. 7,500/- per Petition. The same may be paid to the learned Standing Counsel appearing for the Central Government.

17. The Petitioner Companies are further directed to lodge a copy of this order, the schedule of immovable assets of the De-merged undertaking as on the date of this order and the Scheme duly authenticated by the Registrar, High Court of Gujarat, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, on the same within 60 days from the date of the order.

18. The Petitioner Companies are directed to file a copy of this order alongwith a copy of the scheme with the concerned Registrar of Companies, electronically, along

CYCOMP/27D/2013

ORDER

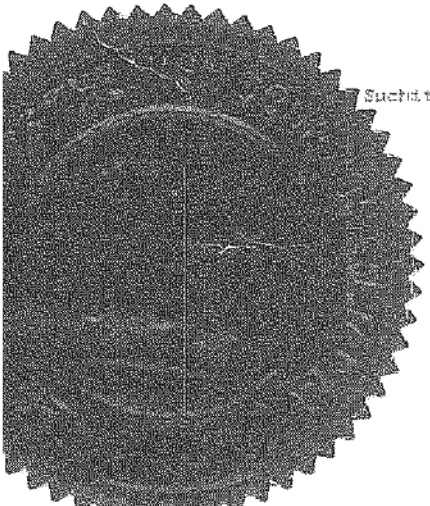
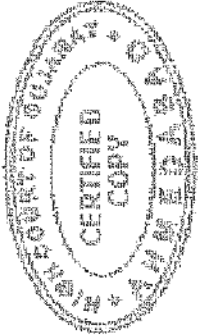
with E-Form 21 in addition to physical copy as per relevant provisions of the Act.

19. The Petitioner Companies are directed to publish notice of requisition of their respective Minutes being Annexures U and R as approved by the Court, with the Registrar of Companies, Ahmedabad, Gujarat, Dadra and Nagar Haveli and publish it once in The Indian Express (Ahmedabad edition) and Gujarati translation thereof in Sandesh (Kutch edition) within 21 days of the registration with the Registrar of Companies.

20. Filing and issuance of drawn up orders are hereby dispensed with.

21. All concerned authorities to act on a copy of this order along with the scheme duly authenticated by the Registrar, High Court of Gujarat. The Registrar, High Court of Gujarat shall issue the authenticated copy of this order alongwith Scheme as expeditiously as possible.

cl
(R.M.CHHAYA, J.)



Suchit

TRUE COPY

DEPUTY / ASSISTANT REGISTRAR

30/1
2014

V.No. 382/14
Company 30
Total 110800
Sesies Charges

30/1/14

AUTHENTICATED SCHEME

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

(IN ITS ORIGINAL JURISDICTION)

Court Application on 28/1/14
Company on 30/1/14
Mandate on 30/1/14
Case recorded on
by
Regd. by Post

COMPANY PETITION NO. 270 OF 2013

CONNECTED WITH

COMPANY APPLICATION NO. 232 OF 2013

By S. O.

30/1/14

In the matter of the Companies Act, 1956;

-And-

In the matter of Petition under Sections 391 to 394 read with Sections, 100 to 104 and other relevant provisions of the Companies Act, 1956;

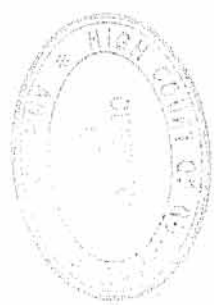
-And-

In the matter of Welspun Corp Limited [CIN: L27100GJ1995PLC025609], a Company incorporated under the Companies Act, 1956, having its registered office at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat- 370 110.

-And-

In the matter of Scheme of Arrangement between Welspun Corp Limited and Welspun Enterprises Limited and their respective shareholders and creditors.

Handwritten signatures and initials.



Welspun Corp Limited
[CIN: L27100GJ1995PLC025609],
a Company incorporated under the
Companies Act, 1956, having its
registered office at Welspun City,
Village Versamedi, Taluka Anjar,
District Kutch, Gujarat- 370 110.

....Petitioner Company

CORAM : Hon'ble Mr Justice R.M. Chhaya
Date : 10/01/2014.

checked by
[Signature]

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

(IN ITS ORIGINAL JURISDICTION)

COMPANY PETITION NO. 271 OF 2013

CONNECTED WITH

COMPANY APPLICATION NO. 233 OF 2013

In the matter of the Companies Act, 1956;

-And-

In the matter of Petition under Sections 391 to 394 read with Sections, 78, 100 to 103 and other relevant provisions of the Companies Act, 1956;

-And-

In the matter of Welspun Enterprise Limited [CIN: U45201GJ2012PLC072578], a Company incorporated under the Companies Act, 1956, having its registered office at Survey No.684, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat- 370 110.

-And-

In the matter of Scheme of Arrangement between Welspun Corp Limited and Welspun Enterprises Limited and their respective shareholders and creditors.



Welspun Enterprises Limited
[CIN: U45201GJ2012PLC072578],
a Company incorporated under the
Companies Act, 1956, having its
registered office at Welspun City,
Village Versamedi, Taluka Anjar,
District Kutch, Gujarat- 370 110.

....Petitioner Company

Coram: Hon'ble Mr Justice R.M. Chhaya
Date: 10/01/2014.

3

SCHEME OF ARRANGEMENT

BETWEEN

WELSPUN CORP LIMITED

DEMERGED COMPANY

AND

WELSPUN ENTERPRISES
LIMITED (formerly known as WELSPUN INFRA
ENTERPRISES LIMITED)

RESULTING COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTIONS 391 AND 394 READ WITH OTHER RELEVANT PROVISIONS
OF THE COMPANIES ACT, 1956

PART I - GENERAL

A. Welspun Corp Limited, is a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370,110 (the "Demerged Company"). The Demerged Company which is the flagship company of the Welspun group of companies, is engaged in the business of manufacturing line pipes used to transport oil, gas, water and other liquid and gaseous consumables and plates and coils required for manufacturing line pipes (the "Line Pipes Business") and the infrastructure business (including energy, water, road), the direct-reduced iron (DRI) business, oil and gas, and EPC contracting business (the "Other Businesses") through its subsidiary and joint ventures. The equity shares of the Demerged Company are listed on the National Stock Exchange of India Limited and the BSE Limited, the GDRs (as defined hereinafter) are listed on the Singapore Securities Trading Limited and the foreign currency convertible bonds ("FCCBs") amounting to USD 150 million issued by the Demerged Company in October 14, 2009 are listed on the Singapore Stock Exchange.

B. Welspun Enterprises Limited (formerly known as Welspun Infra Enterprises Limited), is a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Survey No. 684, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat- 370,110 (the "Resulting Company"). The Resulting Company is a wholly owned subsidiary of the Demerged Company. The Resulting Company has been set up with the following main object: To carry on either directly or indirectly by promoting subsidiaries or joint ventures, the business of developing and providing infrastructural facilities such as providing power, energy, electricity, oil & gas and steel required for these infrastructural facilities and of constructing, erecting, executing, building, carrying out, equipping, altering, repairing, remodeling, decorating, maintaining, demolishing, developing, improving, maintaining, furnishing, administering, managing or controlling, grading, curving, paving, macadamizing, cementing and maintaining buildings, structures, houses, apartments, townships, commercial complexes, hospitals, schools, places of worship, highway, roads, paths, streets, side-ways, seaports, airports, bridges, gardens, flyovers, subways, alleys, pavements and to do other similar constructions, levelling or paving work and to build, construct and repair railways, waterways, electrical/mechanical, electronic works, tunnels, wharves, canals, reservoirs, embankments, tanks, aqueducts, ports, marine drainage, piers, docks, water works, drainage works, light houses, power houses, irrigation, reclamations, sewage drainage, sanitary. The equity shares of the Resulting



CERTIFIED TRUE COPY
For WELSPUN CORP LIMITED

CERTIFIED TRUE COPY
For WELSPUN ENTERPRISES LIMITED

Director/Company Secretary

DIRECTOR / AUTHORISED SIGNATORY

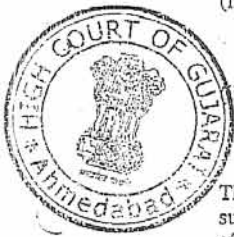
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Company are not listed on any stock exchange.

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C. This Scheme of Arrangement (as defined hereinafter) provides for the transfer by way of a Demerger (as defined hereinafter) of the Demerged Undertaking (as defined hereinafter) of the Demerged Company to the Resulting Company, pursuant to Sections 391 to 394 and other relevant provisions of the Act (as defined hereinafter) in the manner provided for in the Scheme, in view of the following circumstances:

- (i) the Demerged Company is the flagship company of the Welspun group of companies and is engaged in the Line Pipes Business and the Other Businesses which are managed by the Other Businesses Division (as defined hereinafter) and carried on mainly through its subsidiaries;
- (ii) the demerger of the Other Businesses Division would enable the Demerged Company to focus on and enhance its Line Pipes Business by streamlining its operations; and
- (iii) the demerger will enable the Demerged Company and Resulting Company to pursue different business strategies and raise resources for meeting their respective growth requirements.



This proposed Demerger would thus enable the Resulting Company through its subsidiaries, and joint ventures to carry on and conduct the Other Businesses more efficiently and advantageously, as also permit the Demerged Company to carry on the Line Pipes Business more efficiently and advantageously.

D. Accordingly, this Scheme provides for the transfer by way of a Demerger of the Demerged Undertaking of the Demerged Company to the Resulting Company pursuant to Sections 391 to 394 and other relevant provisions of the Act, and various other matters consequential to or otherwise integrally connected with the above in the manner provided for in the Scheme.

E. The Scheme is divided into the following parts:

- (i) Part I, which deals with the introduction and definitions;
- (ii) Part II, which deals with the Demerger;
- (iii) Part III, which deals with reduction of the paid up share capital of the Resulting Company and the reduction of the securities premium account of the Demerged Company; and
- (iv) Part IV, which deals with the general terms and conditions.



F. This Scheme has been drawn up so that the demerger of the Demerged Undertaking from the Demerged Company to the Resulting Company is compliant with the conditions relating to "demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961.

1. DEFINITIONS AND INTERPRETATION

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

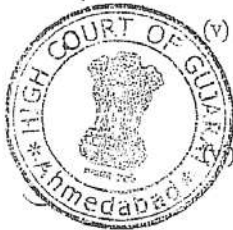
- (i) "Act" or "the Act" means the Companies Act, 1956 including any statutory

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modifications, re-enactments or amendments thereof for the time being in force.

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- (ii) "Appointed Date" means the 1st day of April, 2012 or such other date as may be approved by the High Court.
- (iii) "Board of Directors" or "Board" in relation to each of the Demerged Company and the Resulting Company, as the case may be, means the board of directors of such company, and shall include a committee duly constituted and authorised for the purposes of matters pertaining to the Demerger, the Scheme and/or any other matter relating thereto.
- (iv) "Demerger" means the transfer, by way of demerger, of the Demerged Undertaking from the Demerged Company to the Resulting Company.
- (v) "Demerged Company" means Welspun Corp Limited, a company incorporated under the provisions of the Companies Act, 1956, having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370 110.
- "Demerged Company GDRs" shall mean the GDRs issued by the Demerged Company pursuant to the deposit agreement executed by it with the Depository (as amended from time to time) and as are outstanding as of the Record Date.
- (vi) "Demerged Undertaking" or the "Other Businesses Division" means the Demerged Company's business division and undertaking pertaining to the Other Businesses as a going concern, as on the Appointed Date, including in particular the following, where relevant, but without in any manner whatsoever limiting the scope thereof:
- (a) The moveable assets, wherever situated, real or personal, in possession or reversion, corporeal, tangible, present or contingent, vehicles, other fixed assets, licenses, computers, office equipment, furniture, telephones, telexes, facsimile connections, communication facilities, electrical and other installations, current assets, sundry debtors, deposits, receivables, funds, cash, bank balances, loans and advances given and investments held for the Demerged Undertaking, accounts, claims, income tax, sales tax, service tax and other taxes, duties, cess, levies etc. paid regularly or in advance, wherever required by law or otherwise and all other rights, benefits of all agreements, subsidies, grants, taxes, tax credits, various exemption/ incentives granted under different schemes of the Central/ State Governments including carried forward losses of all types under the Income Tax Act, 1961, right to use and avail of telephones, telex, facsimile and other communication facilities and all other sanctions and approvals (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, minimum alternate tax, service tax, etc), bills of exchange, letters of intent and loans and advances appearing in the books of accounts pertaining to the Other Businesses. The details of the cash / bank balances and treasury investments in relation to the Other Businesses as on the Appointed Date being as more particularly set out in Annexure A hereto.
- (b) The moveable assets, wherever situated, real or personal, in possession or reversion, incorporeal, intangible, present or contingent, brands,



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trademarks, patents, copyrights and other intellectual property rights, rights under business arrangements/ agreements / contracts, and all other interests, rights and power of every kind, nature and description, whatsoever, privileges, liberties, advantages, benefits, consents pertaining to the Other Businesses.

- (c) The shares, or investments and loans and advances in any form whatsoever, held by the Demerged Company, of/in the Welspun Group Entities, which as of the Appointed Date are as more particularly set out in Annexure B hereto.
- (d) All records, files, papers, computer programs, software, manuals, data, catalogues, quotations, sale and advertising materials, and other records, whether in physical or electronic form in connection with or pertaining to the Other Businesses.
- (e) All debts, duties and liabilities, present, future and the contingent liabilities, if any, pertaining to or which arise out of the activities or operations of the Other Businesses.
- (f) Liabilities, if any, other than those referred to in sub-clauses (e) above being the amounts of general or multipurpose borrowings of the Demerged Company, allocated to the Other Businesses in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of the Demerged Company immediately before giving effect to this Scheme.
- (g) All Employees of the Demerged Company employed solely for the Other Businesses, as identified by the Demerged Company, as on the Effective Date.

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Without prejudice to the generality of the provisions above, the Other Businesses Division shall include all of the Other Businesses Division's rights and licenses, all assignments and grants thereof, benefits of agreements, contracts and arrangements, powers, authorities, municipal permissions, registrations, engagements, quotas, permits, allotments, approvals, export licenses, sanctions, remissions, special reservations, holidays, incentives, concessions and other authorizations, benefits, entitlements and incentives of any nature whatsoever, consents, privileges, liberties, advantages, easements pertaining to the Other Businesses and all the right, title, interests, benefits, entitlement and advantages pertaining to the Other Businesses and all other rights and claims of whatsoever nature, howsoever described, and wheresoever situated which pertain to the Other Businesses.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Other Businesses Division or whether or not it arises out of the activities or operations of the Other Businesses shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

- (viii) "Deposit Agreement" has the meaning ascribed to it in Clause 44.
- (ix) "Depository" shall mean JPMORGAN CHASE BANK, N.A., being the



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depository for the Demerged Company GDRs.

- (x) "Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 35 of this Scheme occur or have been fulfilled or waived in accordance with this Scheme. Any references in the Scheme to the words "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the "Effective Date".
- (xi) "Employees" mean employees, consultants, retainers and other personnel of the Demerged Company employed/engaged solely for the Demerged Undertaking, as identified by the Demerged Company, as on the Effective Date.
- (xii) "Encumbrance" means any options, pledge, mortgage, lien, security, interest, claim, charge, pre-emptive right, easement, limitation, attachment, restraint or any other encumbrance of any kind or nature whatsoever; and the term "Encumbered" shall be construed accordingly.
- (xiii) "Funds" has the meaning ascribed to it in Clause 27(b).
- (xiv) "GDRs" means global depository receipts issued pursuant to the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993 and other applicable law, and where relevant shall include the underlying equity shares relating thereto.
- (xv) "High Court" means the Hon'ble High Court of Judicature at Ahmedabad, Gujarat, having jurisdiction in relation to the Demerged Company and the Resulting Company and shall include the National Company Law Tribunal (NCLT), as applicable or such other forum or authority as may be vested with any of the powers of a High Court under the Act.
- (xvi) "Last Date" has the meaning ascribed to it in Clause 57 (a).
- (xvii) "Offering Circular" has the meaning ascribed to it in Clause 48.
- (xviii) "Record Date" has the meaning ascribed to it in Clause 35.
- (xix) "Registrar of Companies" means the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
- (xx) "Remaining Business" means all the undertakings, businesses, activities of the Line Pipes Business and any other business or activities which are not exclusively related to or utilized by the Other Businesses Division for the Other Businesses.
- (xxi) "Resulting Company" means Welspun Enterprises Limited (formerly known as Welspun Infra Enterprises Limited), a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Survey No. 684, Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat 370 110 and a wholly owned subsidiary of the Demerged Company.
- (xxii) "Resulting Company Depository" shall have the meaning set forth in Clause 44.

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- (xxiii) "Resulting Company GDRs" shall have the meaning set forth in Clause 44.
- (xxiv) "Scheme of Arrangement" or "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Arrangement in its present form submitted to the High Court for sanction including / with any modifications / amendments thereto/ therein made under Clause 54 of the Scheme.
- (xxv) "Share Entitlement Ratio" has the meaning ascribed to it in Clause 35.
- (xxvi) "Stock Exchanges" means National Stock Exchange of India Limited and BSE Limited.
- (xxvii) "Transferred Liabilities" has the meaning ascribed to it in Clause 12 of this Scheme.
- (xxviii) "Welspun Group Entities" means the entities in which the Demerged Company has a shareholding and which are engaged in the Other Businesses, such entities being more particularly listed in Annexure B hereto (which also contains other relevant details, including the shareholding of the Demerged Company in such Welspun Group Entities).

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- 1.2 All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning as ascribed to them under the Act, or failing which, respectively and in that order, under the Income Tax Act, 1961, Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be or including any statutory amendments/modifications or re-enactments thereof from time to time as the case may be and as the context may demand.
- 1.3 References to clauses, recitals and schedules, unless otherwise provided, are to clauses, recitals and schedules of and to this Scheme.
- 1.4 The headings herein shall not affect the construction of this Scheme.
- 1.5 The singular shall include the plural and vice versa; and references to one gender include all genders.
- 1.6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 References to person include any individual, firm, body corporate (whether incorporated or not), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives body (whether or not having separate legal personality).
- 1.8 The annexures to this Scheme form an integral and inseparable part of this Scheme.



2. DATE OF TAKING EFFECT

The Scheme shall be deemed to be effective from the Appointed Date, but shall be operative from the Effective Date.

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3. SHARE CAPITAL

3.1 Demerged Company:

Details of the share capital of the Demerged Company as on May 30, 2013 is as under:

Authorized Capital	(Amount in Rs.)
30,40,00,000 equity shares of Rs. 5 each	152,00,00,000
9,80,00,000 preference shares of Rs. 10 each	98,00,00,000
Total Authorised Capital	250,00,00,000
Issued, Subscribed and Paid-up Capital	
26,29,48,299 equity shares of Rs. 5 each*	131,47,41,495
Total Issued, Subscribed and Paid-up Capital	131,47,41,495

* includes 2,30,26,000 equity shares issued against the Demerged Company GDRs

3.2 The Demerged Company may also issue upto 13,045,433 equity shares of Rs. 5 at a price of Rs. 300 per share upon a full conversion of the FCCBs. The FCCBs are due for redemption on October 14, 2014.

3.3 Resulting Company:

Details of the share capital of the Resulting Company as on May 30, 2013 is as under:

Authorized Capital	(Amount in Rs.)
50,000 equity shares of Rs. 10 each	5,00,000
Issued, Subscribed and Paid-up Capital	
50,000 equity shares of Rs. 10 each	5,00,000
Total Issued, Subscribed and Paid-up Capital	5,00,000

PART II - DEMERGER

SECTION 1: TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

4. Upon the coming into effect of the Scheme and with effect from the Appointed Date, the Demerged Undertaking (including all the estate, assets, rights, claims, title, interest and authorities including accretions and appurtenances of the Demerged Undertaking) of the Demerged Company shall, subject to the provisions of this Clause in relation to the mode of transfer and vesting and pursuant to the provisions of Sections 391 to 394 of the Act and all other applicable provisions of applicable laws, rules and regulations for the time being in force, without any further act or deed, stand transferred to and be vested in or deemed to have been transferred to or vested in, as a going concern, into the Resulting Company together with all the estates, assets, titles, interest and Employees therein, subject however, to the provisions of this Scheme in relation to Encumbrances, if any, affecting the same or any part thereof. The transfer and vesting of the Demerged Undertaking to the Resulting Company shall be effected in the manner set out below.
5. All the moveable assets including cash in hand and cash equivalents of the Demerged Undertaking capable of being passed by manual delivery or by endorsement shall be physically handed over by manual delivery or endorsement and delivery, to the end and intent that the ownership and property therein passes to the Resulting Company on such handing over in pursuance of the provisions of Section 394 of the Act (as an integral part of the Demerged Undertaking) without requiring any deed or instrument of



conveyance for transfer of the same, subject to the provisions of this Scheme in relation to Encumbrances in favour of banks and/or financial institutions. Such delivery and transfer shall be made on a date to be mutually agreed upon between the respective Board of Directors of the Resulting Company and the Demerged Company within 30 days from the Effective Date.

6. In respect of any assets belonging to the Demerged Undertaking, other than those referred to in Clause 5 above, the same shall without any further act, instrument, deed, matter or thing be transferred to and vested in, and/or deemed to be demerged from the Demerged Company and transferred to and vested in the Resulting Company upon the coming into effect of the Scheme and with effect from the Appointed Date pursuant to the provisions of Sections 391 to 394 of the Act.

7. Further, for assets belonging to the Demerged Undertaking including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or value to be received, bank balances and deposits, if any, the following modus operandi for intimating to third parties shall, to the extent possible, be followed:

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(a) The Resulting Company shall give notice in such form as it may deem fit and proper to each party, debtor or depositee of the Demerged Company as the case may be, that pursuant to the Scheme coming into effect, the said debt, loan, advances, deposit etc. be paid or made good or held on account of the Resulting Company as the person entitled thereto, to the end and intent that the right of the Demerged Company to recover or realise the same stands extinguished, and that such right to recover or realize the same shall vest in the Resulting Company.

(b) The Demerged Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or depositee that pursuant to the Scheme coming into effect, the said person, debtor or depositee should pay the debt, loan, advance or deposit, or make good the same or hold the same to the account of the Resulting Company and that the right of the Resulting Company to recover or realise the same is in substitution of the right of the Demerged Company.



8. Upon the coming into effect of this Scheme, all debts, liabilities, loans and obligations incurred, if any, duties or obligations of any kind, nature or description (including contingent liabilities, if any) pertaining to the Demerged Undertaking (on the Appointed Date) shall, without any further act or deed, stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company to the extent that they are outstanding as on the Effective Date and on the same terms and conditions as applicable to the Demerged Company, and shall become the debts, liabilities, loans, duties and obligations of the Resulting Company which shall meet, discharge and satisfy the same and further that it shall not be necessary to separately obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of any of the liabilities which have arisen in order to give effect to the provisions of this Clause.

9. Upon the coming into effect of the Scheme, all debts, liabilities, loans and obligations incurred, if any, and duties and obligations of any kind, nature or description (including contingent liabilities, if any) undertaken pertaining to the Demerged Undertaking after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company in which the Demerged Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall also without

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any further act or deed, stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company and shall become the debts, liabilities, loans, duties and obligations of the Resulting Company which shall meet, discharge and satisfy the same and further that it shall not be necessary to separately obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of any of the liabilities which have arisen in order to give effect to the provisions of this Clause. Provided however that no debts, liabilities, loans, duties and obligations pertaining to the Demerged Undertaking shall have been assumed by the Demerged Company after the Appointed Date without the prior written consent of the Resulting Company otherwise than in the ordinary course of business.

10. Where any of the debts, liabilities, loans and obligations incurred, and duties and obligations undertaken pertaining to the Demerged Undertaking after the Appointed Date deemed to be transferred to and vested in the Resulting Company have been discharged by the Demerged Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Resulting Company.
11. The Demerger and the transfer and vesting of the assets comprised in the Demerged Undertaking to and in the Resulting Company under this Scheme shall be subject to all Encumbrances, if any, affecting the same as hereinafter provided.
12. In so far as the existing Encumbrance, if any, in respect of the loans, borrowings, debts, liabilities of the Demerged Undertaking ("Transferred Liabilities") is concerned, such Encumbrance shall, without any further act, instrument or deed be modified and shall be extended to and shall operate only over the assets comprised in the Demerged Undertaking which have been Encumbered in respect of the Transferred Liabilities as transferred to the Resulting Company pursuant to this Scheme. Provided that if any of the assets comprised in the Demerged Undertaking which are being transferred to the Resulting Company pursuant to this Scheme have not been Encumbered in respect of the Transferred Liabilities, such assets shall remain unencumbered and the existing Encumbrance referred to above shall not be extended to and shall not operate over such assets. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above.
13. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business are concerned, the Encumbrance over such assets relating to the Transferred Liabilities shall, as and from the Effective Date without any further act, instrument or deed be released and the Demerged Company shall be discharged from the obligations and Encumbrance relating to the same. The absence of any formal amendment which may be required by a lender or trustee or third party shall not affect the operation of the above. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or debentures or other debts or debt securities which are not transferred pursuant to this Scheme (and which shall continue with the Demerged Company), shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
14. Upon the coming into effect of this Scheme, the Resulting Company alone shall be liable to perform all obligations in respect of the Transferred Liabilities, which have been transferred to it in terms of this Scheme, and the Demerged Company shall not have any obligations in respect of such Transferred Liabilities.
15. All Encumbrances or those, if any, created by the Demerged Company after the Appointed Date, in terms of this Scheme, over the assets comprised in the Demerged

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Undertaking or any part thereof transferred to the Resulting Company by virtue of this Scheme, shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they related or were attached prior to the Effective Date and as are transferred to the Resulting Company. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by or available to the Demerged Company which shall vest in the Resulting Company by virtue of the Demerger and the Resulting Company shall not be obliged to create any further or additional security thereof after the Demerger has become effective or otherwise.

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- 16. Without prejudice to the above and upon the effectiveness of this Scheme, the Demerged Company and the Resulting Company shall execute all instruments or documents and do all acts and deeds as may be required, including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Companies and other authorities under the Act to give formal effect to the above provisions, if required.
- 17. It is expressly provided that, save as mentioned in this Scheme, no other term or condition of the Transferred Liabilities transferred to the Resulting Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication.
- 18. Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of the above sub-clauses shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue of any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.
- 19. With effect from the Appointed Date, all permits, quotas, rights, entitlements, tenancies and licenses relating to the immovable properties, brands, trademarks, patents, copy rights, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking and which are subsisting or having effect immediately before the Appointed Date, shall be and remain in full force and effect in favour of the Resulting Company and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a beneficiary or obligee thereto.
- 20. With effect from the Appointed Date, any and all statutory licenses, permissions, approvals and/or consents held by the Demerged Company pertaining to the Demerged Undertaking, required to carry on its business and operations shall stand vested in or deemed to be transferred to the Resulting Company without any further act or deed and shall be appropriately mutated by the statutory authorities or any other person concerned therewith in favour of the Resulting Company. The benefit of all statutory and regulatory permissions, licenses, environmental approvals and consents including the statutory licenses, permissions or approvals or consents required to carry on the operations of the Demerged Undertaking shall vest in and become available to the Resulting Company pursuant to the Scheme coming into effect.



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21. The entitlement to various benefits under incentive schemes and policies in relation to the Demerged Undertaking shall stand transferred to and be vested in and/or be deemed to have been transferred to and vested in the Resulting Company together with all benefits, entitlements and incentives of any nature whatsoever. Such entitlements shall include (but shall not be limited to) income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and other incentives in relation to the Demerged Undertaking to be claimed by the Resulting Company with effect from the Appointed Date as if the Resulting Company was originally entitled to all such benefits under such incentive schemes and/or policies, subject to continued compliance by the Resulting Company of all the terms and conditions subject to which the benefits under such incentive schemes were made available to the Demerged Company.
22. Pursuant to the Scheme coming into effect each of the permissions, approvals, consents, sanctions, remissions (including remissions under income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs), special reservations, sales tax remissions, holidays, incentives, concessions and other authorizations relating to the Demerged Undertaking shall stand transferred under this Scheme to the Resulting Company and the Resulting Company shall file the relevant intimations, if any, for the record of the statutory authorities who shall take them on file.
23. It is clarified that all the taxes including withholding taxes and duties paid or payable by the Demerged Company in relation to Demerged Undertaking, from the Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax and/or duty liabilities or refunds and claims of the Resulting Company. Accordingly, upon the Scheme becoming effective, pursuant to the provisions of this Scheme, the Demerged Company and the Resulting Company is expressly permitted to file its respective income-tax, sales tax, value added tax, turnover tax, excise duty, service tax, customs and any other return(s) (including revised returns) to claim advance tax, withholding tax, refunds/ credits. Notwithstanding the above, tax compliances (including payment of taxes, maintenance of records, payments, returns, etc) carried out by the Demerged Company in respect of the Demerged Undertaking from the Appointed Date up to the Effective date should be considered as adequate compliance by the Resulting Company and the Resulting Company should be considered to have met its obligations under the respective tax legislations.

24. **LEGAL PROCEEDINGS**

- (a) Upon the Scheme becoming effective, all legal, taxation or other proceedings, suits, claims, actions before any statutory or quasi-judicial authority or tribunal of whatsoever nature, pertaining to the Demerged Undertaking, by or against the Demerged Company pending and/or arising on or before the date on which this Scheme shall finally take effect or at the Appointed Date, shall be continued and enforced by or against the Resulting Company only, to the exclusion of the Demerged Company in the manner and to the same extent as would have been continued and enforced by or against the Demerged Company. On and from the Effective Date, the Resulting Company shall and may, if required, initiate any legal proceedings in relation to the relevant matters pertaining to the Demerged Undertaking in the same manner and to the same extent as the Board of the Resulting Company may deem appropriate. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings against the Resulting Company. The Resulting Company shall be replaced/ added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in co-operation with the Demerged Company.



- (b) It is clarified that after the Appointed Date, in case the proceedings referred to above, cannot be transferred for any reason, the Demerged Company shall prosecute or defend the same at the cost of the Resulting Company, and the Resulting Company shall reimburse, indemnify and hold harmless the Demerged Company against all liabilities and obligations incurred by the Demerged Company in respect thereof.
- (c) The Resulting Company undertakes to have all legal, taxation or other proceedings initiated by or against the Demerged Company referred to in sub-clause 24(a) above transferred to its name as soon as is reasonably possible after the Effective Date and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company. Both companies shall make relevant applications and take steps as may be required in that behalf.

25. **CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

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- (a) Notwithstanding anything contrary contained in this Scheme, any and all existing contracts, deeds, bonds, agreements, undertakings, guarantees, indemnities and other instruments if any, of whatsoever nature relating to the Demerged Undertaking and to which the Demerged Company is party or a beneficiary and subsisting or having effect on the Effective Date, shall be in full force and effect in favour of the Resulting Company and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligee thereto, without any further act or deed.
- (b) The Resulting 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 Demerged Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or becomes necessary. The Resulting Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Demerged Company and to implement or carry out all formalities required on the part of the Demerged Company to give effect to the provisions of this Scheme.
- (c) Without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of the Scheme, all consents, permissions, licences, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Demerged Company in relation to the Demerged Undertaking shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the Resulting Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Resulting Company.
- (d) After this Scheme becomes effective, the Resulting Company shall, in its own rights, be entitled to realize all monies and complete and enforce all pending contracts and transactions in respect of the Demerged Undertaking, in so far as may be necessary.
- (e) It is clarified that if any assets (estate, claims, rights, title, interest in or authorities relating to such assets) or any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to



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the Demerged Undertaking which the Demerged Company owns or to which the Demerged Company is a party, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such assets, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company, insofar as it is permissible so to do, till such time as the transfer is effected.

26. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the properties, liabilities and obligations pertaining to the Demerged Undertaking pursuant to this Scheme shall not affect any transactions or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company and pertaining to the Demerged Undertaking which shall vest in the Resulting Company in terms of this Scheme as acts, deeds and things made, done and executed by and on behalf of the Resulting Company.

27. EMPLOYEES

(a) Employees pertaining to the Demerged Undertaking, in service on the Effective Date shall be deemed to have become the employees, consultants, retainers and other personnel of the Resulting Company with effect from the Appointed Date or from the date of their appointment after the Appointed Date without any interruption or break in their service as a result of the transfer and vesting of the Demerged Undertaking to the Resulting Company. The terms and conditions of their employment, consultancy, retainership or other terms of service with the Resulting Company with effect from the Effective Date shall not be less favourable than those applicable to them with reference to the Demerged Company on the Effective Date.

(b) The existing provident fund, gratuity fund, superannuation fund, trusts, retirement fund or benefits and any other funds or benefits created by the Demerged Company *inter alia* for the Employees (collectively referred to as the "Funds") in terms of this Scheme shall be continued for the benefit of such Employees on the same terms and conditions in the Resulting Company. With effect from the Effective Date, the Resulting Company shall make the necessary contribution for such Employees taken over. Upon the Scheme being effective, the Resulting Company shall, to the extent pertaining to the Demerged Undertaking, stand substituted for the Demerged Company for all purposes whatsoever related to the administration or operation of such Fund or in relation to the obligations to make contributions to the said Funds in accordance with the provisions of the Fund or according to the terms provided in the respective Fund deeds or other documents or, in the alternative, create / establish / setup / provide the facility of one or more alternative trusts being not less favourable than the existing Fund in the Demerged Company of which such Employees were members in the Demerged Company. The Resulting Company undertakes and assumes all the duties and obligations and takes over and assumes all the rights and powers of the Demerged Company upon the Scheme being effective, in relation to aforesaid Funds of the Demerged Company. The services of the Employees of the Demerged Company will be treated as having been continuous for the purposes of availing the benefits of the aforesaid Funds or provisions of any Funds for Employees.



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- (c) The Resulting Company agrees that for the purpose of payment of any compensation the past services of such Employees with the Demerged Company shall also be taken into account, and agrees and undertakes to pay the same as and when payable.
- (d) In so far as the existing benefits or funds created by the Demerged Company for the employees of the Remaining Business are concerned, the same shall continue and the Demerged Company shall continue to contribute to such funds and trusts in accordance with the provisions thereof, and such funds and trusts, if any, shall be held *inter alia* for the benefit of the employees of the Remaining Business.

SECTION 2: CONDUCT OF BUSINESS FROM APPOINTED DATE TILL EFFECTIVE DATE

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28. With effect from the Appointed Date and up to and including the Effective Date:

- (a) The Demerged Company shall carry on and be deemed to have carried on its business and activities pertaining to the Demerged Undertaking and shall hold and deal with all assets and properties and stand possessed of all rights, title, interest, authorities, contracts, investments and strategic decisions of the Demerged Undertaking for and on account of and in trust for the Resulting Company.
- (b) Any income, dividends or profit accruing or arising to the Demerged Company from the Demerged Undertaking (including any income, dividends and profit on the cash and bank balance and utilisation of the same) and all costs, charges, expenses, losses or taxes (including but not limited to advance tax, tax deducted at source, taxes withheld / paid, etc), arising or incurred by the Demerged Company pertaining to the Demerged Undertaking for the period commencing from the Appointed Date shall for all purposes be treated as the income, profits, costs, charges, expenses, losses and taxes, as the case may be, of the Resulting Company, if any.
- (c) The Demerged Company shall not utilize the profits or income pertaining to the Demerged Undertaking, if any, in respect of the period from and after the Appointed Date and up to the Effective Date for the purpose of declaring or paying any dividend or for any other purpose without the prior written consent of the Resulting Company.
- (d) The Demerged Company shall not, without the prior written consent of the Resulting Company, Encumber or otherwise deal with or dispose off the Demerged Undertaking or any part thereof except in the usual course of business or pursuant to any pre-existing obligation undertaken by the Demerged Company prior to the Appointed Date.
- (e) As between the Appointed Date and the Effective Date, the Demerged Company shall carry on the business of the Demerged Undertaking with reasonable diligence and prudence, in the ordinary course of business, and the Demerged Company shall not, in any material respect, alter or expand the business, other than such alterations or expansions as have already been commenced, except with the prior written consent of the Resulting Company and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liability or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment



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either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Demerged Undertaking, save and except, in each case, in the following circumstances:

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- (i) if the same is in the ordinary course of business as carried on by it as on the date of filing this Scheme with the High Court; or
 - (ii) if the same is expressly permitted by this Scheme; or
 - (iii) if the written consent of the Resulting Company has been obtained; or
 - (iv) If any pre-existing obligations are undertaken by the Demerged Company prior to the Appointed Date.
- (f) The Demerged Company shall not vary or alter, except in the ordinary course of its business and as may be required for reorganization, the terms and conditions of employment, consultancy, retainership or service of any of the Employees, except with the prior written consent of the Resulting Company.
- (g) The Resulting Company shall be entitled, pending the sanction of the Scheme by the High Court, 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 Resulting Company may require to own and carry on the business of the Demerged Undertaking.
- (h) All assets acquired and all liabilities incurred by the Demerged Company after the Appointed Date but prior to the Effective Date for operation of and in relation to the Demerged Undertaking shall also without any further act, instrument or deed stand transferred to and vested in or be deemed to have been transferred to or vested in the Resulting Company upon the coming into effect of the Scheme, subject to the provisions of this Scheme in relation to Encumbrances in favour of lenders, banks and/or financial institutions.
- (i) With effect from the Effective Date, the Resulting Company shall commence and carry on and shall be authorised to carry on the business of the Demerged Undertaking earlier carried on by the Demerged Company.

SECTION 3: REMAINING BUSINESS

29. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company and in this regard, all business and activities relating to the Line Pipes Business which is mainly comprised of units manufacturing pipes ("Pipe Manufacturing Unit") and units manufacturing plates and coils ("Plate and Coil Mills Unit") shall stand consolidated, and constituted as single undertaking as Plate and Coil Mills Unit for all intents and purposes and all licenses, registrations, permits, incentives and concessions of any nature in respect of the said manufacturing activities shall stand consolidated into the licenses, registrations and permits with respect to the Plate and Coil Mill Unit.
30. (a) All legal, taxation or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted at any time thereafter, and in each case relating to the Remaining



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Business (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business) shall be continued and enforced by or against the Demerged Company after the Effective Date. The Resulting Company shall in no event be responsible or liable in relation to any such legal, taxation or other proceedings against the Demerged Company, which relates to the Remaining Business.

(b) If proceedings are taken against the Resulting Company in respect of the matters referred to in sub-clause (a) above, it shall defend the same in accordance with the advice of the Demerged Company and at the cost of the Demerged Company, and the latter shall reimburse and indemnify the Resulting Company against all liabilities and obligations incurred by the Resulting Company in respect thereof.

31. With effect from the Appointed Date and up to and including the Effective Date:

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(a) the Demerged Company shall carry on and be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;

(b) all profits accruing to the Demerged Company thereon or losses arising or incurred by it (including the effect of taxes, if any, thereon) relating to the Remaining Business shall, for all purposes, be treated as the profits or losses, as the case may be, of the Demerged Company; and

(c) all assets and properties acquired by the Demerged Company in relation to the Remaining Business on and after the Appointed Date shall belong to and continue to remain vested in the Demerged Company.

SECTION 4: REORGANIZATION OF CAPITAL

32. The provisions of this Section 4 of this Scheme shall operate notwithstanding anything to the contrary in this Scheme or in any other instrument, deed or writing.

33. In consideration of the transfer and vesting of the Demerged Undertaking in the Resulting Company in accordance with the provisions of this Scheme and as an integral part of this Scheme, the authorised share capital of the Resulting Company shall be restructured and reorganised in the manner set out hereinbelow.

34. Increase in the Authorised Share Capital of the Resulting Company

(a) As an integral part of the Scheme, and, upon the coming into effect of the Scheme, the authorised share capital of the Resulting Company shall stand increased to Rs. 15,00,00,000 (Rupees Fifteen Crores Only) comprising of 1,50,00,000 (One Crore Fifty Lacs only) equity shares of Rs. 10/- (Rupees Ten only) each, without any further act or deed.

(b) The capital clause of the Memorandum of Association of the Resulting Company shall, upon the coming into effect of this Scheme and without any further act or deed, be replaced by the following clause:



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MEMORANDUM OF ASSOCIATION

The Authorised Share Capital of the Company is Rs. 15,00,00,000 (Rupees Fifteen Crores Only) divided into 50,00,000 (One Crore Fifty Lacs only) equity shares of Rs. 10/- (Rupees Ten only) each.

- (c) Pursuant to this Scheme, the Resulting Company shall file the requisite forms with the Registrar of Companies for alteration of its authorised share capital.
- (d) It is hereby clarified that for the purposes of Clause 34 (a) – (c) above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above amendment or increase in authorised share capital of the Resulting Company, and no further resolution under Section 16, Section 94 or any other applicable provisions of the Act, would be required to be separately passed.

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- 35. Upon the coming into effect of the Scheme and in consideration of the demerger of the Demerged Undertaking to the Resulting Company pursuant to Part II of the Scheme, the Resulting Company shall, without any further act or deed, issue and allot to each member of the Demerged Company whose name is recorded in the register of members of the Demerged Company on a date (the "Record Date") to be fixed in that behalf by the Board of Directors or a committee thereof of the Demerged Company, in the ratio 1 equity share (s) of Rs. 10 each in the Resulting Company credited as fully paid up for every 20 equity shares of Rs. 5 each fully paid up held by such member in the Demerged Company (the "Share Entitlement Ratio").
- 36. The shares issued to the members of the Demerged Company pursuant to Clause 35 above shall be issued in dematerialized form by the Resulting Company, unless otherwise notified in writing by the shareholders of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Directors of the Resulting Company or a committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the members of the Demerged Company, the shares shall be issued to such members in dematerialized form provided that the members of the Demerged Company shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required. It is only thereupon that the Resulting Company shall issue and directly credit the dematerialized securities to the account of such member with the shares of the Resulting Company. In the event that the Resulting Company has received notice from any member that shares are to be issued in certificate form or if any member has not provided the requisite details relating to the account with a depository participant or other confirmations as may be required, then the Resulting Company shall issue shares in certificate form to such member.
- 37. In the event of there being any pending share transfers, whether lodged or outstanding, of any shareholder of the Demerged Company, the Board of Directors or any committee thereof of the Demerged Company shall be empowered in appropriate cases, prior to or even subsequent to the Record Date, to effectuate such a transfer in the Demerged Company as if such changes in registered holder were operative as on the Record Date, in order to remove any difficulties arising to the transferor of the share in the Resulting Company and in relation to the shares issued by the Resulting Company after the effectiveness of this Scheme. The Board of Directors of the Demerged Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new members in the Resulting Company on account of difficulties faced in the transaction period.



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- 38. The new equity shares issued and allotted by the Resulting Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Association of the Resulting Company and shall inter-se rank *pari passu* in all respects.
- 39. (i) Equity shares of the Resulting Company issued in terms of Clause 35 above shall, subject to receipt of necessary approvals, be listed and/or admitted to trading on the Stock Exchanges. The shares allotted pursuant to Part II of this Scheme shall remain frozen in the depositories system until listing/trading permission is given by the designated stock exchange.
- (ii) Until the listing of the equity shares of the Resulting Company with the Stock Exchanges, except as provided in this Scheme, there shall be no change in the shareholding pattern or control or pre-arrangement capital structure of the Resulting Company.
- 40. If any shareholder of the Demerged Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of equity shares by the Resultant Company in accordance with Clause 35 of this Scheme, the Board of Directors of the Resultant Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated equity shares directly to an individual trust or a board of trustees or a corporate trustee nominated by the Resultant Company (the "Trustee"), who shall hold such equity shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such equity shares in the market at such price or prices and on such time or times, as the Trustee may in its sole discretion decide and on such sale pay to the Resultant Company, the net sale proceeds thereof and any additions and accretions, whereupon the Resultant Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Demerged Company in proportion to their respective fractional entitlement. [Provided that, if the cash consideration payable to a shareholder for such fractional shares is less than Rs. 10, then the Company will not be required to pay such amount and instead shall be entitled to deposit the same in the Investor Education and Protection Fund established by the Central Government under Section 205-C of the Companies Act, 1956.]
- 41. The cost of acquisition of the shares of the Resulting Company in the hands of the shareholders of the Demerged Company shall be the amount which bears to the cost of acquisition of shares held by the shareholder in the Demerged Company in the same proportion as the net book value of the assets transferred in the demerger to the Resulting Company bears to the net worth of the Demerged Company immediately before the demerger hereunder.
- 42. The period for which the share(s) in Demerged Company were held by the shareholders shall be included in determining the period for which the shares in the Resulting Company have been held by the respective shareholder.
- 43. Unless otherwise determined by the Board of Directors of the Demerged Company and the Board of Directors of the Resulting Company, issuance of equity shares in terms of Clause 35 above shall be done within 90 days from the Effective Date.
- 44. (i) Upon the coming into effect of this Scheme and the issuance of shares in the Share Entitlement Ratio by the Resulting Company pursuant to the provisions of Clause 35 above, the Resulting Company shall, issue an appropriate number of underlying shares, in accordance with the Share Entitlement Ratio, to the

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Resulting Company Depository (as defined hereinafter). The Resulting Company shall enter into appropriate arrangements with a depository (the "Resulting Company Depository") appointed by the Resulting Company pursuant to a deposit agreement entered into between the Resulting Company and the Resulting Company Depository (the "Resulting Company Deposit Agreement"), for the issuance of GDRs representing such underlying equity shares of the Resultant Company (the "Resulting Company GDRs") on pro-rata basis to holders of the Demerged Company GDRs, in accordance with the Resulting Company Deposit Agreement.

- (ii) The Resulting Company, the Resulting Company Depository, the Demerged Company and/or the Depository shall enter into such further documents and take such further actions as may be deemed necessary or appropriate by the Resulting Company and/or the Demerged Company and the Resulting Company Depository and/or Depository, including, but not limited to, amending the deposit agreement entered into between the Demerged Company and the Depository, disseminating to existing Demerged Company GDR holders certain notices, certifications and information containing details of the Scheme, the issuance of the Resulting Company GDRs and/or certain information relating to the Resulting Company and obtaining consents from the existing Demerged Company GDR holders, and providing to the Resulting Company and the Resulting Company Depository, certain information relating to the existing Demerged Company GDR holders.

45. The Resulting Company GDRs issued pursuant to Clause 44 above shall be listed on the Singapore Securities Trading Limited and the Resulting Company shall take such additional steps and do all such acts, deeds and things as may be necessary for purposes of listing the Resulting Company GDRs.
46. The Resulting Company GDRs and the equity shares underlying the Resulting Company GDRs may not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and the Resulting Company may elect, in its sole discretion, to rely upon an exemption from the registration requirements of the Securities Act under section 3(a)(10) thereof or any other exemption that the Resulting Company may elect to rely upon. In the event the Resulting Company elects to rely upon an exemption from the registration requirements of the Securities Act under section 3(a)(10) thereof, the sanction of the High Court to this Scheme will be relied upon for the purpose of qualifying the issuance and distribution of the Resulting Company GDRs and the equity shares of the Resulting Company, including, without limitation, the equity shares underlying the Resulting Company GDRs, for such an exemption from the registration requirements of the Securities Act under section 3(a)(10) thereof. The Resulting Company may elect, in its sole discretion, to register the Resulting Company GDRs on Form F-6, as required by the Securities Act.
47. It is clarified that the provisions of Clauses 44 to 46 above shall also be applicable to any further GDRs that the Demerged Company may issue prior to the Record Date.
48. Subject to applicable law, if a FCCB holder exercises the option of conversion, the Demerged Company shall issue equity shares to the FCCB holders in terms of the Offering Circular dated October 14, 2009 issued in respect of the FCCBs ("Offering Circular") and pursuant to Clause 35 above; the Resulting Company shall also issue corresponding number of shares of the Resulting Company per the Share Entitlement Ratio to such FCCB holders who are allotted shares of the Demerged Company. However, in all respects, the rights of the FCCB holders to receive the shares of the Resulting Company shall be treated as if he is the shareholder of the Demerged



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Company, in case the right to convert the FCCBs is exercised by such FCCB holder pursuant to the Offering Circular. The Resulting Company shall not under any circumstances be required to pay any amounts towards the redemption of the FCCBs. If under applicable law, the Resulting Company is not permitted to issue shares to the FCCB holders, the Demerged Company shall redeem the FCCBs in accordance with applicable laws.

49. In the event the FCCB holder(s) do not exercise the option of conversion, then the Demerged Company will redeem the FCCBs in terms of the Offering Circular.

SECTION 5: GENERAL TERMS AND CONDITIONS

50. ACCOUNTING TREATMENT

50.1. Accounting treatment in the books of the Demerged Company

- (a) Upon the Scheme coming into effect and with effect from the Appointed Date, the accounts representing the assets and liabilities of the Demerged Undertaking shall stand closed on transfer at their respective book value to the Resulting Company.
- (b) The difference between the amount of assets and liabilities so transferred pertaining to the Demerged Undertaking shall be adjusted against the share premium account to the extent available and balance, if any, to be adjusted against the Capital Reserve and General Reserve to the extent available and balance, if any to be adjusted against balance of Profit and Loss Account in the balance sheet of the Demerged Company. The share premium account of the Demerged Company shall be cancelled and reduced in terms of Section 78 read with Section 100 to 103 of the Companies Act, 1956 pursuant to Part III of this Scheme.

50.2. Accounting treatment in the books of the Resulting Company

On the Scheme becoming effective, the Resulting Company shall account for the Scheme and its effects in its books of account with effect from the Appointed Date as under:

- (a) The Resulting Company shall, upon the Scheme coming into effect, record all the assets and liabilities, if any, pertaining to the Demerged Undertaking vested in it pursuant to this Scheme, at the respective book values or fair values as decided by the Board of Directors of the Resulting Company thereof on the basis of significant accounting policies of the Resulting Company and in the same form as appearing in the books of the Demerged Company at the close of business of the day immediately preceding the Appointed Date.
- (b) The Resulting Company shall credit the aggregate face value of the new equity shares issued by it to the shareholders of Demerged Company pursuant to Clause 35 of this Scheme to the Share Capital Account in its books of accounts.
- (c) The difference, between the amounts credited to the Share Capital Account pursuant to sub-clause (b) above and the value of net assets taken over and recorded as per clause (a) above shall be debited by Resulting Company to its Profit & Loss Account or credited to Capital Reserves Account, as the case may be.



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- (d) The share capital of Resulting Company shall be cancelled and reduced in terms of Section 100 of the Companies Act, 1956 to the extent of the shares held by the Demerged Company in Resulting Company pursuant to Part III of this Scheme.
 - (e) The adjustment on account of cancellation of share capital as described under sub-clause (d) above be debited to Share Capital Account and credited to Capital Reserves Account of the Resulting Company.
 - (f) When the Resulting Company is required to issue in terms of Clause 48 above, the shares of the Resulting Company on every exercise of option of conversion of the FCCBs by FCCB holders in terms of the Offering Circular, the Resulting Company shall transfer the face value of amount of shares issued from the Capital Reserve Account of the Resulting Company.

50.3 Any matter not dealt with in this Scheme or hereinabove shall be dealt with in accordance with the applicable Accounting Standards prescribed by the Institute of Chartered Accountants of India.

PART III - REDUCTION OF SHARE CAPITAL HELD BY THE DEMERGED COMPANY IN THE RESULTING COMPANY AND REDUCTION IN SHARE PREMIUM ACCOUNT OF THE DEMERGED COMPANY

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- 51. Post allotment of shares by the Resulting Company in terms of Clause 35, the existing shareholding of the Demerged Company, in the Resulting Company shall be cancelled in accordance with provisions of Sections 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding the reduction in the equity share capital of the Resulting Company, the Resulting Company shall not be required to add "And Reduced" as suffix to its name and the Resulting Company shall carry on its old name.
 - 52. The reduction of the share premium account pursuant to Clause 50.1 (b) above shall be effected as an integral part of the Scheme itself in accordance with provisions of Section 78 read with Sections 100 to 103 of the Act and the order of the High Court sanctioning the Scheme shall be deemed to be also the order under Section 102 of the Act for the purpose of confirming the reduction. The reduction would not involve either a diminution of liability in respect of unpaid share capital or payment of paid-up share capital, and the provisions of Section 101 of the Act will not be applicable. Notwithstanding the reduction in the share premium account of the Demerged Company, the Demerged Company shall not be required to add "And Reduced" as suffix to its name and the Demerged Company shall carry on its old name.

PART IV - OTHER TERMS AND CONDITIONS

- 53. (a) The Demerged Company and the Resulting Company shall with all reasonable dispatch, make all necessary applications under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of the Demerged Company and the Resulting Company as may be directed by the High Court.
- (b) On the Scheme being agreed to by the requisite majorities of the classes of the

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members and/or creditors of the Demerged Company and the Resulting Company as directed by the High Court, the Demerged Company and the Resulting Company shall, with all reasonable dispatch, apply to the High Court for sanctioning the Scheme of Arrangement under Sections 391 to 394 of the Act, and for such other order or orders, as the said High Court may deem fit for carrying this Scheme into effect.

54. (a) The Demerged Company (by its directors or its authorised representative) and the Resulting Company (by its directors or its authorised representative) in their full and absolute discretion may assent to any modification(s) or amendment(s) or any conditions or limitations in this Scheme which either the respective Boards or the High Court or such other appropriate authority and/or any other authorities 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/or for any reason and / or in connection with the Scheme complying with applicable law, including Companies Act, 1956 and Income Tax Act, 1961.

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(b) Without prejudice to the generality of the foregoing, the implementation of the Scheme or interest of shareholders or creditors shall not get adversely affected as a result of acceptance of any such modification by the Board(s) of Directors or respective Authorised Representative of the Demerged Company or the Resulting Company, who are hereby authorised to take such steps and to do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubt, difficulties or questions whether by reason of any orders of the High 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/or any matters concerning or connected therewith. For the aforesaid purpose, the Board of Directors of the Demerged Company hereby expressly authorises the Board of Directors of the Resulting Company for the aforesaid purpose.

55. **CONDITIONALITY OF SCHEME**

This Scheme is and shall be conditional upon and subject to the approval by the requisite majorities of the shareholders and creditors of the Demerged Company and of the requisite majorities of the shareholders and creditors of the Resulting Company. It is and shall also be conditional upon and subject to the following:

- (a) The Scheme being approved by the High Court whether with any modifications or amendments as the High Court may deem fit or otherwise;
- (b) The certified copies of the Orders of the High Court being filed with the Registrar of Companies, under Sections 391 to 394 and other applicable provisions of the Act;
- (c) The requisite resolutions under the applicable provisions of the Act being passed by the shareholders of the Resulting Company and of the Demerged Company for any of the matters provided for or relating to the Scheme as may be necessary or desirable;
- (d) All necessary regulatory and governmental approvals as may be required by law in respect of this Scheme being obtained including the approval of the Foreign Investment Promotion Board, Government of India, Reserve Bank of India, for the Resulting Company to issue shares to persons resident outside



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India;

- (e) The Scheme being approved by the Securities Exchange Board of India and the stock exchanges on which the shares/GDRs of the Demerged Company are listed, as required under applicable laws.

56. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses, (including stamp duty and registration charges, if any, of or in respect of any deed, document, instrument or Orders of the High Court) in relation to or connection with negotiations leading up to this Scheme and of carrying out and implementing the terms and provisions of this Scheme shall be borne and paid by the Demerged Company.

57. REVOCATION AND SEVERABILITY

- (a) In the event of any of the sanctions and approvals referred to in the aforesaid Clause 55 not being obtained and/or complied with and/or satisfied and/or this Scheme not being sanctioned by the High Court or such other appropriate authority and/or order or orders not being passed as aforesaid before such date as may be mutually agreed upon by the Board of Directors of the Demerged Company and the Resulting Company ("Last Date"), who are hereby empowered and authorised to agree to and extend the aforesaid period from time to time without any limitations in exercise of their powers through and by their respective delegate(s), this Scheme shall stand revoked and cancelled and shall be of no effect.

- (b) In the event of revocation under Clause 57 (a), no rights and liabilities whatsoever shall accrue to or be incurred inter se by the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other person 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 in accordance with the applicable law and in such case, the Demerged Company shall bear all costs incidental to or arising out of such revocation / cancellation of the Scheme.

- (c) If any part of this Scheme is invalid, ruled illegal by any Court of competent jurisdiction, or unenforceable under present or future laws; then it is the intention of the parties that such part shall be severable from the remainder of the Scheme, and the entire Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any party, in which case the parties shall attempt to bring about such modification in the Scheme as will best preserve for the parties the benefits and obligations of the Scheme, including but not limited to such part.

- (d) The Board of Directors of the Demerged Company and the Resulting Company shall be entitled to revoke, cancel and declare the Scheme of no effect, if the Boards of Directors are of the view that the coming into effect of the Scheme could have adverse implications on the Demerged Company and/ or the Resulting Company even after the Scheme has been sanctioned by the High Court but before the same has been actually given effect to.

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ADVOCATE

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ANNEXURE A

DETAILS OF CASH / BANK BALANCES / TREASURY INVESTMENTS OF THE
OTHER BUSINESSES DIVISION AS ON THE APPOINTED DATE

Particular of moveable assets as at 1.4.2012	Amount (Rs. in crores)
8.97% Government of India Loan 2030 16000000 Bonds of Rs. 100 each	166
8.83% Government of India Loan 2041 21600000 Bonds of Rs. 100 each	223
9.25% Power Grid Corporation of India Limited 2018 896 bonds of Rs. 1250000 each	112
9.85% SBI Cards and Payments Services Private Limited 400 Bonds of Rs. 1000000 each	40
9.65% Krishna Bhagya Jala Nigam Limited 730 Bonds of Rs. 1000000 each	73
11.40% Srei Infrastructure Finance Limited 500 Bonds of Rs. 1000000 each	50
Cash and Bank Balance	131
TOTAL CASH & LIQUID INVESTMENTS	795

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27

ANNEXURE B

DETAILS OF SECURITIES HELD, LOANS AND ADVANCES GIVEN, AMOUNTS RECOVERABLE BY THE DEMERGED COMPANY PERTAINING TO DEMERGED UNDERTAKING AS OF THE APPOINTED DATE

Sl. No.	Name of Company	Type of securities	Number of Shares	% of Total Shareholding
1	Welspun Maxsteel Limited	Equity	113622058 equity shares of Rs. 10 each	87.35%
2	Welspun Infratech Limited	Equity	48,639,899 equity shares of Rs. 10 each	100%
3	Welspun Natural Resources Private Limited	Equity	18,75,000 equity shares of Rs. 10 each	100%
4	Welspun Energy Limited	Equity	60,493,342 equity shares of Rs. 10 each	26%
5	Welspun Infratech Limited	Optionally Convertible Debenture (OCD)	28,300-OCDs of Rs.1,00,000 each	100%
6	Welspun Natural Resources Private Limited	Loans & Advances (including interest receivable)	Rs. 118.82 crores	Not Relevant
7	Welspun Energy Limited	Share Application Money	Rs.69.98 crores	-do-
8	Welspun Infratech Limited	Share Application Money	Rs.71.52 crores	-do-
9	Welspun Infratech Limited	Interest Receivable	Rs.17.65 crores	-do-

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ANNEXURE "U"

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
(IN ITS ORIGINAL JURISDICTION)
COMPANY PETITION NO. 70 OF 2013
CONNECTED WITH
COMPANY APPLICATION NO. 232 OF 2013

In the matter of Petition under Sections 391 to 394
read with Sections 100 to 104 and other relevant
provisions of the Companies Act, 1956;

-And-

In the matter of Scheme of Arrangement between
Welspun Corp Limited and Welspun Enterprises
Limited and their respective shareholders and
creditors.

Welspun Corp Limited

Petitioner Company

(Form of Minute)

Upon the Scheme becoming effective, the difference between the amount of assets and liabilities of the Demerged undertaking being transferred to the Resulting Company under the Scheme, shall be adjusted by reducing firstly the securities premium account, secondly the Capital Reserve, thirdly the General Reserve and finally Profit & Loss Account and that the Company shall have the amount of the aforesaid difference, and the consequent adjustment / reduction, determined by an Independent Chartered Accountant. On the basis of the certificate of the said Independent Chartered Accountant, the adjustment and corresponding accounting treatment shall be made in the books of accounts of the Company in terms of the Scheme.



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ANNEXURE "R"

IN THE HIGH COURT OF GUJARAT AT AHMEDABAD
(IN ITS ORIGINAL JURISDICTION)
COMPANY PETITION NO. 271 OF 2013
CONNECTED WITH
COMPANY APPLICATION NO. 233 OF 2013

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In the matter of Petition under Sections 391 to 394 read with Sections 78, 100 to 103 and other relevant provisions of the Companies Act, 1956;

-And-

In the matter of Scheme of Arrangement between Welspun Corp. Limited and Welspun Enterprises Limited and their respective shareholders and creditors.



Welspun Enterprises Limited

Petitioner Company

(Form of Minute)

Upon coming into effect of the Scheme of Arrangement amongst Welspun Corp Limited and Welspun Enterprises Limited and their respective shareholders and creditors and post allotment of shares by the Petitioner Company in terms of Clause 35 of the Scheme, the paid up share capital of the Petitioner Company be reduced by way of cancellation of the 50,000 equity shares of face value of Rs. 10/- each held by Welspun Corp Limited.

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In view of Paragraph No. ~~2~~ of the Oral Order dated 10th January, 2014, passed by the Hon'ble Court (Coram: Hon'ble Mr. Justice R.M. Chayya) in Company Petition No. 270 of 2013 and Company Petition No. 271 of 2013, the Scheme is hereby authenticated.

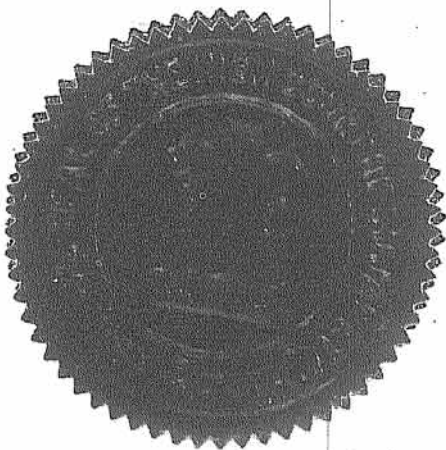
Dated this 10th day of January, 2014.

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23/01/14
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23/1/2014

By the order of the Court

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REGISTRAR (JUDICIAL)
This 24th day of January, 2014

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24/01
ADMS
24/1/14



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Sealer and 24/01/2014 **DEPUTY**

REGISTRAR

This 24th day of January, 2014

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ASSISTANT
THIS
BY OF

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17/05/19

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
AHMEDABAD**

CP (CAA) 33 of 2019 in CA(CAA) No. 13/NCLT/AHM/2019

Coram: **Hon'ble Mr. HARIHAR PRAKASH CHATURVEDI, MEMBER JUDICIAL**

**ATTENDANCE-CUM-ORDER SHEET OF THE HEARING OF AHMEDABAD BENCH OF THE
NATIONAL COMPANY LAW TRIBUNAL ON 10.05.2019**

Name of the Companies : Welspun Pipes Ltd.
Welspun Corp Ltd.

Section of the Companies Act: Section 230-232 of the Companies Act, 2013

<u>S.NO.</u>	<u>NAME (CAPITAL LETTERS)</u>	<u>DESIGNATION</u>	<u>REPRESENTATION</u>	<u>SIGNATURE</u>
1.	MS. Dharmishtha Rawal	Advocate	Petitioners	} <u>G. Thakore</u>
2.	Mr. Yuvraj Thakore	Advocate	Petitioners	

ORDER

The petitioner is represented through their respective Learned Counsel(s).

The case is fixed for pronouncement of order.

The Order is pronounced in the open court, vide separate sheet.



10th day of May, 2019.

**HARIHAR PRAKASH CHATURVEDI
MEMBER (JUDICIAL)**

Certified to be True Copy of the Original
Mo
Deputy Registrar
NCLT, Ahmedabad Bench
Ahmedabad

**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH**

CP(CAA) 33 of 2019 in
CA(CAA) No.13/NCLT/AHM/2019

In the matter of

Welspun Pipes Limited
A Company incorporated under the
provisions of Companies Act, 1956
and having its registered address
at Survey No. 76, Village Morai,
Vapi, Valsad, Gujarat - 396191

....Petitioner
(Transferor Company)

Welspun Corp Limited
A Company incorporated under the
provisions of Companies Act, 1956
and having its registered office
at Welspun City, Village Versamedi,
Anjar Dist., Kutch, Gujarat - 370110

..... Petitioner
(Transferee Company)

Order delivered on 10th May, 2019

Coram: Hon'ble Mr. Harihar Prakash Chaturvedi, Member (J)

Appearance:

Senior Counsel Mr. Saurabh Soparkar with Ms. Dharmishta N.Raval,
Advocate with Mr. Yuvraj Thakore Advocate for the Petitioner Companies.

ORDER

1. This present petition is filed jointly by Welspun Pipes Limited and Welspun Corp Limited under Sections 230-232 of the Companies Act, 2013 seeking sanction to the proposed Scheme of Amalgamation of Welspun Pipes Limited ("WPL" or "the Transferor Company") with Welspun Corp Limited ("WCL" or "the Transferee Company") and their respective shareholders and creditors.
2. The Petitioner Transferee Company is a listed public limited company and the shares are listed on BSE Limited and National Stock Exchange of India Limited. Hence, in terms Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, it has obtained



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observation letters from BSE Limited and National Stock Exchange of India Limited which were placed on record along with the application, being CA(CAA) No. 13/230-232/NCLT/AHM/2019.

3. The Petitioner Companies had filed a joint application being CA (CAA) No.13/230-232/NCLT/AHM/2019 before this Tribunal seeking dispensation of the meetings of Equity Shareholders of the Petitioner Transferor Company and convening, holding and conducting separate meeting of the Equity Shareholders, Secured Creditors (including debenture holders) and Unsecured Creditors of the Petitioner Transferee Company. By an order dated 18th January, 2019 made in CA (CAA) No. 13/230-232/NCLT/AHM/2019, this Tribunal directed dispensation of the meeting of Equity Shareholders of the Petitioner Transferor Company and directed convening of separate meetings of the Equity Shareholders, Secured Creditors (including debenture holders) and Unsecured Creditors of the Petitioner Transferee Company.
4. In compliance of the order passed by this Tribunal dated 18th January, 2019, a copy of explanatory statement required pursuant to Section 102 of the Act read with Sections 230 to 232 and Rule 6 of the Companies (CAA) Rules, 2016 along with prescribed form of proxy was sent to, the Equity Shareholders of the Petitioner Transferee Company appearing on the records of the Petitioner Transferee Company as on 31st December, 2018, to the Secured Creditors (including debenture holders) of the Petitioner Transferee Company appearing on the records of the Petitioner Transferee Company as on 30th September, 2018 and to the Unsecured Creditors of the Petitioner Transferee Company appearing on the records of the Petitioner Transferee Company as on 30th September, 2018. The notice convening the meeting was also published in English daily 'Financial Express', Ahmedabad Edition and Gujarati translation thereof in 'Kutch Mitra' on 5th February, 2019. The affidavits were filed by the Authorised Person of the Petitioner Transferor Company and by the Chairman of the meeting of the Petitioner Transferee Company on 22nd



February, 2019 and 27th February, 2019 respectively, confirming compliance of the directions. The aforesaid meetings of Equity Shareholder, Secured Creditors (including debenture holders) and Unsecured Creditors were duly convened and held on 7th March, 2019 and the Chairman has filed its reports with regard to the result of the said meetings before this Tribunal vide affidavit dated 11th March, 2019. On perusal of the same, the Scheme was approved by approximately more than 99% in number and approximately more than 99% in value which is the aggregate requisite majority of the Equity Shareholders, casting their votes either through e-voting or casting valid votes at the meeting. Further in terms of SEBI Circular No. CFD/DIL3/CIR/2017/21 dated 10th March, 2017, votes casted by the public shareholders in favour of the proposal are more than the number of votes casted by the public shareholders against it. Further, the Scheme was approved by, approximately 100% in number and approximately 100% in value of the Secured Creditors of the Petitioner Transferee Company, casting their votes in the meeting and approximately 100% in number and approximately 100% in value Unsecured Creditors of the Petitioner Transferee Company, casting their votes in the meeting.

5. This Tribunal also directed the Petitioner Companies to issue notices in Form No. CAA.3 to (i) the Central Government through the Regional Director, North Western Region; (ii) the Registrar of Companies, Gujarat; (iii) the Income-tax authorities concerned; and (iv) the Official Liquidator stating that representations, if any, to be made within a period of 30 days from the date of receipt of such notice, and in case no representation is received by the Tribunal within the stipulated period of 30 days, it should be presumed that the authorities have no representation to make. Further, it was also directed to the Petitioner Transferee Company to serve notice to (i) BSE Limited; and (ii) National Stock Exchange of India Limited. In compliance of the directions contained in the order dated 18th January, 2019, it is submitted that the Petitioner Companies have served notices to the Central Government through the Regional Director, North Western Region, the



Registrar of Companies, Gujarat, the Income Tax Authorities concerned and the Official Liquidator. The Petitioner Transferee Company has also served notices to BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India. The Petitioner Transferor Company has filed an affidavit on 22nd February, 2019 and the Petitioner Transferee Company has filed an affidavit on 27th February, 2019 confirming service of notice on the aforesaid authorities.

6. The Petitioner Companies, jointly filed the present petition being CP (CAA) 33 of 2019 before this Tribunal seeking sanction of the Scheme.
7. This Tribunal by order dated 2nd April, 2019, admitted the petition and directed issuance of notice hearing be advertised "Financial Express", and "Kutch Mitra", not less than ten days before the date fixed for hearing, calling for their objections, if any, on or before the date of hearing. This Tribunal also directed to issue notice to Regional Director, Registrar of Companies, Official Liquidator and Income Tax informing the date of hearing i.e. 1st May, 2019.
8. Pursuant to the aforesaid order dated 2nd April, 2019, passed by this Tribunal, the Petitioner Companies filed affidavit of service with this Tribunal on 22nd April, 2019 submitting the proof of service of publication and also proof of issue of notice to the Regional Director, Registrar of Companies, Official Liquidator, Income Tax, BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India.
9. It is stated by the Petitioner Companies that pursuant to the order dated 2nd April, 2019 passed by the Tribunal and issuance of notices to the Regional Director, Registrar of Companies, Income tax, Official Liquidator and on publication of the notices, no representation is received.



10. The Petitioner Companies further submitted that apropos to the order dated 18th January, 2019, Regional Director filed his representation dated 8th April, 2019 making certain observations.
11. In response to the representation dated 8th April, 2019 made by the Regional Director, it is stated that the Petitioner Companies have filed an affidavit on 25th April, 2019 giving their response to all the observations of the Regional Director.
- i. With reference to paragraph 2(a), 2(b) and 2(d) of the RD representation, the contents thereof do not require any comments.
 - ii. With reference to paragraph 2(c) of the RD representation, the Petitioner Transferee Company undertakes to pay such difference amount of fees as due and payable on account of enhanced Authorised Capital and undertakes to comply with the provisions of Section 232(3)(i) of the Companies Act, 2013.
 - iii. With reference to paragraph 2(e) of the RD representation which deals with compliances with SEBI circulars, the Petitioner Company submits before this Tribunal that the Petitioner Companies have complied with the observations/directions conveyed by BSE and NSE to the Petitioner Transferee Company. Further the Petitioner Transferee Company has also complied with the SEBI circular issued on 10.03.2017.
 - iv. With reference to paragraph 2(f) of the RD representation, the Petitioner Transferee Company submits that all the shareholders of the Petitioner Transferee Company are residents and no shares are proposed to be issued to any Foreign National / NRI / Foreign Bodies Corporate pursuant to the scheme and hence the provisions of RBI / FEMA do not apply. Without prejudice to the above, the Petitioner submits that it will comply with the applicable FEMA and RBI guidelines, if any, in connection with the scheme of amalgamation.



- v. With reference to paragraph 2(g) of the RD representation, the Petitioner Transferee Company submits that the Scheme provides for transfer of business, including assets and liabilities, of the Petitioner Transferor Company to the Petitioner Transferee Company from the Appointed Date whereas as per the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS), the accounting for such amalgamation is to be done from the Effective Date, and hence the auditor has provided for such Emphasis of Matter in the accounting certificate. The Petitioner Transferee Company further submits that as mentioned in the Scheme, the Petitioner Transferee Company shall give effect to the amalgamation in its books of accounts as per the accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013, and as may be amended from time to time and on the date determined in accordance with Ind AS.
- vi. With reference to paragraph 2(h) of the RD representation, the Petitioner Companies undertakes to pay such legal fees as is quantified by this Tribunal.
12. The Petitioner Companies further submitted that apropos to the order dated 18th January, 2019, Official Liquidator has filed his representation dated 8th April, 2019.
13. The Official Liquidator in his representation has sought the following directions:
- i. That, this Tribunal may be pleased to direct the transferor Company to preserve its books of accounts, papers and records and shall not be disposed of without prior permission of Central Government as per the provision of Section 239 of the Companies Act, 2013.
 - ii. That, this Tribunal may be pleased to direct the transferor Company to ensure statutory compliance of all applicable laws and also on sanctioning of the present Scheme, the



applicant Company shall not be absolved from any of its statutory liability, in any manner.

- iii. That, this Tribunal may direct the companies involved in the scheme to comply with Rule 17(2) of Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 with respect to filing of order if any for confirmation of the scheme in Form No.-28 with the Registrar of Companies having jurisdiction over the transferee and transferor Companies respectively.
- iv. That, the Official Liquidator most respectfully submits that the related office expenses of the office of Official Liquidator for submitting this report is Rs.10,000/- approximately. Therefore, this Bench may be pleased to direct the Transferor Company to pay such cost to the office of Official Liquidator or any other amount as may be considered appropriate by this Bench.

14. In response to the representation of the Official Liquidator, the Petitioner Transferor Company, by way of any affidavit filed by the Authorised Representative of the Petitioner Transferor Company on 25th April, 2019, has given their response to all the observations of the Official Liquidator.

- i. With reference to clause 1 to 21 and clause 24 of the OL report, the contents thereof do not require any comments.
- ii. With reference to clause 22 of the OL report, the Petitioner Transferor Company undertakes to preserve its books of accounts, papers and records and that it shall not be disposed off without prior approval of the Central Government as per Section 239 of the Companies Act.
- iii. With reference to clause 23 of the OL report, the Petitioner Transferor Company shall ensure statutory compliance of all the applicable laws and on the sanction of the Scheme, it shall not be absolved from any statutory liability, in any manner.
- iv. With reference to clause 25 of the OL report, the Petitioner Transferor Company undertakes to comply with the provisions



of Rule 17(2) of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016.


v. With reference to clause 26 of the OL report, it is submitted that the Petitioner Transferor Company shall pay related office expenses of the office of the Official Liquidator as may be considered appropriate by the Hon'ble Tribunal.

15. Heard Senior Counsel Mr. Saurabh Soparkar with learned Advocate, Ms. Dharmishta N. Raval with Mr. Yuvraj Thakore, Advocate, for the Petitioner Companies.
16. Considering the entire facts and circumstances of the case and on perusal of the Scheme and the documents produced on record, it appears that the requirements of the provisions of Sections 230 and 232 of the Companies Act, 2013 are satisfied. The Scheme appears to be genuine and bonafide and in the interest of the shareholders and creditors.
17. Accordingly, the petition is allowed. The Scheme of Amalgamation, which is as Annexure F to the joint petition, is hereby sanctioned and it is declared that the same shall be binding on the Petitioner Companies, namely, Welspun Pipes Limited and Welspun Corp Limited, their shareholders and creditors, and all concerned under the Scheme. The Petitioner Transferor Company viz. Welspun Pipes Limited shall stand dissolved without winding up.
18. It is further ordered that the Petitioner Companies shall comply with Rule 17(2) of Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 with respect to filing of order, if any, for confirmation of the Scheme in Form INC-28 with the Registrar of Companies, Gujarat.
19. Fees of Regional Director is quantified as Rs. 25,000/-in respect of each of the Petitioner Companies and the fees of the Official Liquidator is quantified at Rs. 10,000/-in respect of the Petitioner Transferor Company. The said fees shall be paid by the Petitioner

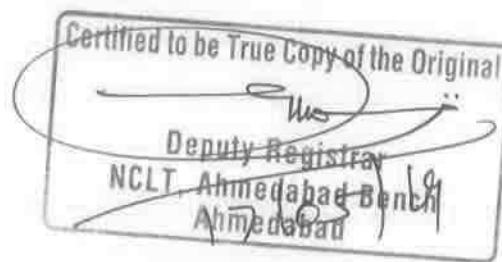


Transferor Company in terms of Clause 20 of the present company Scheme of Amalgamation.

20. Filing and issuance of drawn up orders are dispensed with. All concerned authorities to act on a copy of this order along with the Scheme duly authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme immediately.
21. This Company Petition is accordingly disposed of.


Harihar Prakash Chaturvedi
Member (Judicial)

SR



Date of pronouncement of Order: 10/05/19
Date on which application for Certified Copy was made: 14/05/19
Date on which Certified Copy was ready: 17/05/19
Date on which Certified Copy delivered: 17/05/19

SCHEME OF AMALGAMATION
OF
WELSPUN PIPES LIMITED ("THE TRANSFEROR COMPANY")
WITH
WELSPUN CORP LIMITED ("THE TRANSFEREE COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS & CREDITORS

PREAMBLE

This Scheme of Amalgamation is presented under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for amalgamation of Welspun Pipes Limited ("the Transferor Company") with Welspun Corp Limited ("the Transferee Company"). The equity shares of Welspun Corp Limited are listed on the BSE Limited and the National Stock Exchange of India Limited.

RATIONALE FOR THE SCHEME

Welspun Pipes Limited forms part of the Promoter Group of Welspun Corp Limited. It presently holds 11,04,49,818 equity shares in Welspun Corp Limited representing about 41.64% of the total paid up share capital.

It is proposed to amalgamate the Transferor Company into the Transferee Company by this Scheme, as a result of which the shareholders of the Transferor Company viz. the promoter group of the Transferor Company (who are also part of the promoter group of the Transferee Company) shall directly hold shares in the Transferee Company and the following benefits shall, inter alia, accrue to the Companies:

- a) The amalgamation will result in the promoter group of the Transferor Company directly holding shares in the Transferee Company, which will lead to simplification of the shareholding structure and reduction of shareholding tiers of the Transferee Company;
- b) The promoter group of the Transferee Company is desirous of streamlining its holding in the Transferee Company. As a step towards such rationalization, it is proposed to merge the Transferor Company into the Transferee Company;



- c) The promoters would continue to hold the same percentage of shares in the Transferee Company, pre and post the amalgamation. There would also be no change in the financial position of the Transferee Company. All cost, charges and expenses relating to the Scheme would be borne out of the assets (other than shares of the Transferee Company) of the Transferor Company. Any expense, exceeding the assets of the Transferor Company would be borne by the shareholders of the Transferor Company directly;
- d) Further, the Scheme also provides that the shareholders of the Transferor Company shall indemnify the Transferee Company and keep the Transferee Company indemnified for liability, claim, demand, if any, and which may devolve on the Transferee Company on account of this amalgamation.

Accordingly, the Board of Directors of the Transferor Company and the Transferee Company have formulated this Scheme for the transfer and vesting of all the assets of the Transferor Company with and into the Transferee Company pursuant to the provisions of Sections 230-232 and other relevant provisions of the Companies Act, 2013 (including any statutory modification or re-enactment or amendment thereof).

PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

PART A	Deals with the definitions and share capital
PART B	Deals with amalgamation of the Transferor Company with the Transferee Company
PART C	Deals with general terms and conditions.



PART A - DEFINITIONS & SHARE CAPITAL

1. DEFINITIONS

In this Scheme (as defined hereinafter), unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.1 **"Act" or "the Act"** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modifications, amendments or re-enactment thereof for the time being in force;
- 1.2 **"Appointed Date"** means 25 January 2019;
- 1.3 **"Appropriate Authority"** means and includes any governmental, statutory, departmental or public body or authority, including SEBI, Stock Exchanges, Registrar of Companies and the NCLT;
- 1.4 **"Board" or "Board of Directors"** means the Board of Directors of the Transferor Company or of the Transferee Company as the context may require and shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person(s) authorized by the Board of Directors or such committee of Directors;
- 1.5 **"Effective Date"** means the date on which the conditions specified in Clause 18 of this scheme are complied with;
- 1.6 **"Record Date"** means the date fixed by the Board of Directors or committee thereof, if any, of the Transferee Company for the purpose of determining the members of the Transferor Company to whom New Equity Shares will be allotted pursuant to this Scheme;
- 1.7 **"SEBI"** means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992;
- 1.8 **"Stock Exchanges"** means BSE Limited, National Stock Exchange of India Limited and any other stock exchange(s);



- 1.9 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form as submitted with the NCLT or this Scheme with any modification(s) made under Clause 17 of the Scheme;
- 1.10 "Transferee Company" or "WCL" means Welspun Corp Limited (CIN: L27100GJ1995PLC025609), a company incorporated under the Companies Act, 1956 and having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat-370110;
- 1.11 "Transferor Company" or "WPL" means Welspun Pipes Limited (CIN: U27108GJ2007PLC101012), a company incorporated under the Companies Act, 1956 and having its registered office at Survey No 76, Village Morai, Vapi, Dist. Valsad, Gujarat-396191;
- 1.12 "Tribunal" or "the NCLT" means the National Company Law Tribunal, Ahmedabad Bench.

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

2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1 The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or made as per Clause 17 of the Scheme, shall be effective from the Appointed Date but shall be operative from the Effective Date.
- 2.2 Any reference in this Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "upon the coming into effect of the Scheme" shall mean the Effective Date.



3. SHARE CAPITAL

3.1 The share capital of the Transferor Company as on 31st March, 2018 is as under:

Particulars	Amount in Rs.
Authorised Capital	
50,000 Equity shares of Rs. 10 each	500,000
Total	500,000
Issued, Subscribed and Paid-up Capital	
50,000 Equity shares of Rs. 10 each	500,000
Total	500,000

Subsequent to 31st March, 2018 and till the date of approval of the Scheme by the Board of Directors of the Transferor Company, there has been no change in the issued, subscribed and paid-up capital of the Transferee Company.

3.2 The share capital of the Transferee Company as on 31st March, 2018 is as under:

Particulars	Amount in Rs.
Authorised Capital	
30,40,00,000 Equity shares of Rs.5 each	1,520,000,000
9,80,00,000 Preference shares of Rs. 10 each	980,000,000
Total	2,500,000,000
Issued Capital	
26,52,26,109 Equity shares of Rs. 5 each	1,326,130,545
Subscribed and Paid-up Capital	
26,52,26,109 Equity shares of Rs. 5 each	1,326,130,545
Total	1,326,130,545

Subsequent to 31st March, 2018 and till the date of approval of the Scheme by the Board of Directors of the Transferee Company, there has been no change in the issued, subscribed and paid-up capital of the Transferee Company. However, the Company has granted 23,50,000 Employee Stock Options ("ESOPs") carrying a right to apply for equal number of equity shares of the Company at a price of Rs. 100 per equity share. These ESOPs shall vest on three anniversaries beginning from 16 August 2019, the first vesting date, in instalments of 30%, 35% and 35% respectively.



Further, the Transferor Company holds 11,04,49,818 equity shares of Rs. 5 each fully paid up in the Transferee Company, representing about 41.64% of the total paid up share capital of the Transferee Company.

PART B - AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY

4. TRANSFER AND VESTING

4.1. With effect from the Appointed Date, the business of the Transferor Company including its properties and assets (whether movable tangible or intangible) of whatsoever nature including investments, shares, debentures, securities, loans and advances, licenses, permits, approvals, lease, tenancy rights, titles, permissions, if any, benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax and all other rights, title, interest, contracts, consent, approvals or powers of every kind, nature and descriptions whatsoever shall under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the NCLT or any other Appropriate Authority sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, shall stand transferred to and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

4.2. Without prejudice to Clause 4.1, all movable assets including sundry debtors, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any government, quasi-government, local or other authority or body or with any company or other person, the same shall, on and from the Appointed Date, stand transferred to and vested in Transferee Company without any notice or other intimation to the debtors (although Transferee Company may without being obliged and if it so deems appropriate at its sole discretion, give notice in such form as it may deem fit and proper, to each person, debtor, or depositor, as the case may be, that the said debt, loan, advance, balance or deposit stands transferred and vested in Transferee Company) subject to existing charges or *lis pendens*, if any thereon.

4.3. The liabilities shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by



the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

4.4. This Scheme has been drawn up to comply with the conditions relating to "amalgamation" as specified under Section 2(1B) of the Income -tax Act, 1961. If any terms or provisions of the Scheme are inconsistent with the provisions of Section 2(1B) of the Income-tax Act, 1961, the provisions of Section 2(1B) of the Income-tax Act, 1961 shall to the extent of such inconsistency prevail and the Scheme shall stand modified to that extent to comply with Section 2(1B) of the Income-tax Act, 1961; such modification to not affect other parts of the Scheme.

4.5. Pursuant to the Scheme becoming effective, Transferee Company shall, if so required under any law or otherwise, execute deeds of confirmation or other writings or arrangement with any party to any contract or arrangement to which the Transferor Company is a party in order to give formal effect to the above provisions. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf of the Transferor Company to carry out or perform all such formalities or compliances referred to above on part of the Transferor Company.

5. CONSIDERATION

5.1 Upon this Scheme becoming effective and upon amalgamation of the Transferor Company into the Transferee Company in terms of this Scheme, the Transferee Company shall, without any application, act or deed, issue and allot equity shares, credited as fully paid up, to the extent indicated below, to the members of the Transferor Company holding fully paid-up equity shares of the Transferor Company and whose names appear in the register of members of the Transferor Company as on the Record Date, or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Directors of the Transferor Company / Transferee Company in the following proportion:



"11,04,49,818 fully paid up equity share of Rs. 5 each of the Transferee Company shall be issued and allotted as fully paid up to the equity shareholders of the Transferor Company in proportion of their holding in the Transferor Company"

(Equity shares to be issued by the Transferee Company as above are referred to as "New Equity Shares").

- 5.2 The Transferor Company holds 11,04,49,818 equity shares of the Transferee Company and pursuant to the amalgamation, the Transferee Company shall issue the same number of New Equity Shares i.e. 11,04,49,818 to the shareholders of the Transferor Company. In the event the Transferor Company holds more than 11,04,49,818 fully paid up equity shares of the Transferee Company (without incurring any additional liability) on the Record Date, New Equity Shares to be issued by the Transferee Company to the shareholders of the Transferor Company shall stand increased by such additional number of equity shares held by the Transferor Company.
- 5.3 The New Equity Shares to be issued to the members of the Transferor Company as per clause 5.1 above shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company. The New Equity Shares shall rank *pari-passu* in all respects, including dividend, with the existing equity shares of Transferee Company.
- 5.4 In respect of fractional entitlement to a shareholder, shall be rounded off to the nearest integer. A fraction of less than half shall be rounded down to the nearest lower integer and a fraction of half or more shall be rounded up to the nearest higher integer. However, in no event, shall the number of New Equity Shares to be allotted by the Transferee Company to the members of the Transferor Company exceed the number of equity shares held by the Transferor Company in the Transferee Company on the Effective Date.
- 5.5 The investment held by the Transferor Company in the equity share capital of the Transferee Company shall, without any further application, act, instrument or deed stand cancelled. The shares held by the Transferor Company in dematerialized form shall be extinguished, on and from such issue and allotment of New Equity Shares.

The New Equity Shares to be issued and allotted by the Transferee Company to the shareholders of the Transferor Company shall be issued in dematerialized form.



- 5.7 The New Equity Shares of the Transferee Company shall be listed and/ or admitted to trading on the Stock Exchanges on which the existing equity shares of the Transferee Company are listed at that time. The Transferee Company shall enter into such arrangements and give such confirmation and/or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said Stock Exchanges.
- 5.8 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned regulatory authorities for the issue and allotment by Transferee Company of New Equity Shares to the members of the Transferor Company under the Scheme.
- 5.9 The approval of this Scheme by the members of the Transferee Company shall be deemed to be due compliance with the applicable provisions of the Act including Section 42 and 62 of the Act, for the issue and allotment of New Equity Shares by the Transferee Company to the members of the Transferor Company, as provided in the Scheme.

6. CANCELLATION OF EQUITY SHARES OF THE TRANSFEREE COMPANY HELD BY THE TRANSFEROR COMPANY

- 6.1 Upon the Scheme becoming effective, the issued, subscribed and paid up share capital of WCL, to the extent of the shares held by WPL in WCL, shall be automatically cancelled and reduced in terms of section 66 of the Act.
- 6.2 The said cancellation shall result in reduction of capital under section 66 of the Act. However, since the aforesaid reduction is consequential and is proposed as an integral part of the Scheme, the Transferee Company shall not be required to undertake separate procedure under section 66 of the Act. Further, as the aforesaid reduction does not result in either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid-up share capital, the provisions of section 66 of the Act shall not be applicable. The order of the NCLT sanctioning the scheme shall be deemed to be the Order under section 66 of the Act for the purpose of confirming reduction. Further, the Transferee Company shall not be required to add "and reduced" as a suffix to its name consequent upon such reduction



7. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEEE COMPANY

- 7.1. Notwithstanding anything to the contrary contained in any other clause in the Scheme, the Transferee Company shall give effect to the amalgamation in its books of accounts as per the accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013, and as may be amended from time to time and on the date determined in accordance with Ind AS.
- 7.2. Upon effectiveness of the scheme, the net assets of the Transferor Company (excluding shares of the Transferee Company held by the Transferor Company which shall get cancelled) will be reflected at fair value with a corresponding credit to other equity.

8. COMBINATION OF AUTHORISED SHARE CAPITAL

- 8.1. Upon the Scheme becoming effective, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by the authorised share capital of the Transferor Companies as on the Effective Date. Further, post such increase authorized share capital of the Transferee Company shall be re-classified as follows:

Particulars	Amount in Rs.
Authorised Capital	
30,41,00,000 Equity shares of Rs. 5 each	1,520,500,000
9,80,00,000 Preference shares of Rs. 10 each	980,000,000
Total	2,500,500,000

- 8.2. Consequently, the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme, whether at a meeting or otherwise, shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 13, 14 and 61 of the Act and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorised share capital of the Transferor Company shall be utilized and applied to the increase and reclassification of authorised share capital of the Transferee Company and there



would be no requirement for any further payment of stamp duty and/or fee by the Transferee Company for increase and reclassification in the authorised share capital to that extent.

- 8.3. It is clarified that the approval of the members of the Transferee Company to the Scheme, whether at a meeting or otherwise, shall be deemed to be their consent/approval also to the amendment of the Memorandum of Association of the Transferee Company as may be required under the Act.

9. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

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

- 9.1. The Transferor Company shall be deemed to have been carrying on and shall carry on its business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of all its properties and assets pertaining to business of the Transferor Company for and on account of and In trust for the Transferee Company. The Transferor Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.
- 9.2. The Transferor Company shall not, except in the ordinary course of business or without prior written consent of the Transferee Company alienate charge, mortgage, encumber or otherwise deal with or dispose of any of its properties or part thereof of the Transferor Company.
- 9.3. Any income accruing or arising to the Transferor Company shall for all purposes be treated and deemed to be in profits or income of the Transferee Company.
- 9.4. With effect from the Appointed Date and upto and including the Effective Date, in the event the Transferee Company distributes dividend (including Interim dividend) or issues bonus shares or offers right shares to its members, the Transferor Company shall be entitled to receive such dividend and bonus shares, and subscribe to such rights shares offered by the Transferee Company.



9.5. Until the Effective Date, the Transferor Company may utilize its income/available cash, if any, for meeting its expenses in the ordinary course of business or for the purpose specified in the scheme.

9.6. Until the Effective Date, the holders of shares of the Transferor Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under the Articles of Association of the Transferor Company including the right to receive dividends.

10. EMPLOYEES

10.1. On the Scheme becoming effective all the employees, if any, of the Transferor Company shall become the employees of the Transferee Company, without any break or interruption in their services, on same terms and conditions on which they are engaged as on the Effective Date. The Transferee Company further agrees that for the purpose of payment of any retirement benefit / compensation, other terminal benefits, such immediate uninterrupted past services with the Transferor Company shall also be taken into account.

10.2. In relation to those employees of the Transferor Company for whom the Transferor Company are making contributions to the government provident fund, the Transferee Company shall stand substituted for such Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees of the Transferor Company.

11. LEGAL PROCEEDINGS

11.1. If any suit, appeal or other proceeding of whatever nature by or against the Transferor Company is pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against the Transferee Company, as the case may be, in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.



11.2. The Transferor Company has undertaken that there are no pending litigations or other proceedings of whatsoever nature by or against it.

11.3. In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated by or against the Transferor Company, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company. The shareholders of the Transferor Company shall indemnify the Transferee Company from any loss, liability, cost, charges and/or expenses arising due to any disputes or litigations as specified in Clause 13 below.

12. CONTRACTS, DEEDS, ETC.

12.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements of whatsoever nature pertaining to the Transferor Company to which the Transferor Company is party and subsisting or having effect 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 by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

12.2. 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 or becomes necessary. The Transferee Company shall be deemed to be authorised 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.



13. INDEMNITY BY SHAREHOLDERS OF TRANSFEROR COMPANY

The shareholders of the Transferor Company shall indemnify and hold harmless the Transferee Company and its directors, officers, representatives, partners, employees and agents (collectively, the "Indemnified Persons") for losses, liabilities (including but not limited to tax liabilities), costs, charges, expenses (whether or not resulting from third party claims), including those paid or suffered pursuant to any actions, proceedings, claims and including interests and penalties discharged by the Indemnified Persons which may devolve on Indemnified Persons on account of amalgamation of the Transferor Company with the Transferee Company but would not have been payable by such Indemnified Persons otherwise, in the form and manner as may be agreed amongst the Transferee Company and the shareholders of the Transferor Company.

14. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 11 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date (both days inclusive), to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. DISSOLUTION OF THE TRANSFEROR COMPANY

- 15.1. On the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230-232 of the Companies Act, 2013.
- 15.2. On and from the Effective Date, name of the Transferor Company shall be removed from the records of the Registrar of Companies and records relating to the Transferor Company shall be transferred and merged with the records of the Transferee Company.



PART C - GENERAL TERMS AND CONDITIONS

16. APPLICATION TO NCLT

The Transferor Company and the Transferee Company shall with all reasonable dispatch make all necessary applications under Sections 230-232 of the Act and other applicable provisions of the Act to the NCLT, within whose jurisdiction the registered offices of the Transferor Company and the Transferee Company are situated for sanctioning the Scheme.

17. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Transferor Company and the Transferee Company by their respective Board of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the NCLT and/or any other statutory/regulatory authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate as a result of subsequent events or otherwise by them (i.e. the Board). The Transferor Company and the Transferee Company by their respective Board are authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme into effect, whether by reason of any directive or orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

18. CONDITIONALITY OF THE SCHEME

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

18.1. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the NCLT or any other Appropriate Authority, as may be applicable;

18.2. The Scheme being approved by the "public" shareholders of the Transferee Company by way of e-voting in terms of Para (I)(A)(9)(a) of Annexure I of SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017; provided that the same shall be acted upon only if the votes cast by the "public" shareholders in favor of the proposal are more than the number of votes cast by the "public" shareholders against it;



18.3. 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;

18.4. The sanction of the Scheme by the NCLT or any other authority under Sections 230 to 232 and other applicable provisions of the Act.

19. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the NCLT or such other competent authority and / or the order not being passed as aforesaid before 30 September 2019 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors (and which the Board of Directors of the Companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated herein or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20. COSTS, CHARGES & EXPENSES

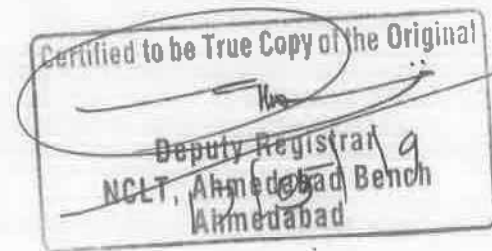
All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in connection with and implementing this Scheme and matters incidental shall be borne by the Transferor Company and / or its shareholders.



In view of Paragraph 20 of the Order dated 10th May, 2019 passed by the Hon'ble National Company Law Tribunal, Bench at Ahmedabad in Company Petition (CAA.) No. 33 of 2019, the Scheme is hereby authenticated.

Registrar

This ___ day of _____, 2019



Date of pronouncement of Order: —
Date on which application for Certified Copy was made: 14/05/19
Date on which Certified Copy was ready: 17/05/19
Date on which Certified Copy delivered: 17/05/19

23-3-2022

IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD SPECIAL BENCH
COURT - 1

ITEM No.12

C.P.(CAA)/67(AHM)2021 in C.A.(CAA)/71(AHM)2021

Order under Section 230-232

IN THE MATTER OF:

Welspun Steel Ltd
Welspun Corp Ltd

.....Applicant

.....Respondent

Order delivered on ..16/03/2022

Coram:

Madan B. Gosavi, Hon'ble Member(J)
Ajai Das Mehrotra, Hon'ble Member(T)

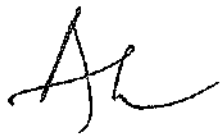
PRESENT:

For the Applicant :
For the Respondent :

ORDER

The case is fixed for pronouncement of order.

The order is pronounced in open court vide separate sheet.



AJAI DAS MEHROTRA
MEMBER (TECHNICAL)



MADAN B GOSAVI
MEMBER (JUDICIAL)

Sweta



**NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD BENCH
SPECIAL BENCH
COURT-1**

C.P.(CAA)/67(AHM)2021 in C.A.(CAA)/71(AHM)2021

[A Company Application filed under Sections 230-232 of the Companies Act, 2013]

In the matter of:

Welspun Steel Limited

(CIN: U27109GJ2004PLC044249)

A Company incorporated under the provisions of the Companies Act, 1956

Having its registered office at:

Survey No. 650, Village Varsamedi, Taluka, Anjar,
District. Kutch, Gujarat -370110

.....Petitioner (Demerged Company)

And

Welspun Corp Limited

(CIN: L27100GJ1995PLC025609)

A Company incorporated under the provisions of the Companies Act, 1956

Having its registered office at:

Welspun city, Village Versamedi, Taluka, Anjar,
District. Kutch, Gujarat- 370110

.....Petitioner (Resulting Company)



**Order Reserved on 02.03.2022
Order Pronounced on 16.03.2022**

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Coram: Madan B. Gosavi, Member (Judicial)
Ajai Das Mehrotra, Member (Technical)

Appearance:

Learned Senior Advocate Mr. Saurabh Soparkar along with Ms. Dharmishta N. Raval, Advocate for the Petitioner Companies.

ORDER
[Per Bench]

1. This joint petition has been filed under Sections 230-232 of the Companies Act, 2013 (hereinafter referred to as the 'the Act'), by M/s. Welspun Steel Limited and M/s. Welspun Corp Limited (hereinafter referred to as 'Petitioner Companies') seeking sanction of this Tribunal to the proposed Scheme of Arrangement in the nature of Demerger of Demerged Undertaking of M/s. Welspun Steel Limited (hereinafter referred to as 'the Demerged Company') with M/s. Welspun Corp Limited (hereinafter referred to as 'the Resulting Company') and their respective shareholders (hereinafter referred to as 'Scheme'). The said Scheme shall be effective from the appointed date as set out in the Scheme.
2. It is submitted by the Petitioner Companies that both the petitioner companies are situated in the State of Gujarat; hence, both the companies are under the jurisdiction of the National Company Law Tribunal, Ahmedabad Bench.
3. The Petitioner Companies submitted that the Scheme proposes the demerger of the Demerged Undertaking, i.e., business, activities and operations pertaining to steel, specialty steel and



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thermo mechanical treatment bars manufacturing business carried on by the Demerged Company (directly or indirectly through its subsidiaries) into the Resulting Company.

4. The rationale of the proposed Scheme in the nature of Demerger is described as under: -

- (i) The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings. Further, the operations of the Demerged Undertaking could have access to the Resulting Company's marketing capabilities.
- (ii) Greater economies of scale and will provide a larger and stronger base for potential future growth;
- (iii) Consolidation and simplification of the group structure;
- (iv) reduction in overheads, administrative, managerial and other expenditure;
- (v) operational rationalization and increase in operating efficiency; and
- (vi) synergistic benefits, expansion and acquisition opportunities

5. The Petitioner Companies submitted that the accounting treatment specified in Clause 12 of the Scheme conforms with the accounting standards prescribed under Section 133 of the Act.



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[Signature]

6. The Petitioner Companies further submitted that no proceedings / investigation have been instituted or is pending against the Petitioner Companies under Sections 210-217, 219, 220, 223,224, 225, 226 and 227 of the Act and or Sections 235-251 of the Companies Act, 1956.
7. It is also submitted that as per the knowledge of the Petitioner Companies no winding-up proceedings are pending against the Petitioner Companies under the Act or the corresponding provisions of the Companies Act, 1956.
8. The Resulting Company is a listed public limited company, and the shares are listed on the BSE Limited and the National Stock Exchange of India Limited. Hence, in terms Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 as amended from time to time, it has obtained observation letters from BSE Limited and National Stock Exchange of India Limited which were placed on record along with the application, being C.A.(CAA)/71(AHM)2021 and also along with the petition, being C.P.(CAA)/67(AHM)2021.
9. The Petitioner Companies had filed a joint application being C.A.(CAA)/71(AHM)2021 before this Tribunal seeking dispensation of the meeting of Equity Shareholders of the Demerged Company and convening, holding and conducting the meeting of the Secured Creditors and Unsecured Creditors of the Demerged Company and of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Resulting

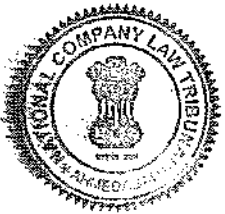


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Company. By an order pronounced on 4th October 2021 made in C.A.(CAA)/71(AHM)2021, this Tribunal directed dispensation of the meeting of Equity Shareholders of the Demerged Company and convening of the meeting of the Secured Creditors and Unsecured Creditors of the Demerged Company and of the Equity Shareholders, Secured Creditors and Unsecured Creditors of the Resulting Company.

10. In compliance of the order pronounced by this Tribunal on 4th October 2021, a copy of statement required pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act and Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('Companies (CAA) Rules, 2016') was sent to the Secured Creditors and Unsecured Creditors of the Demerged Company appearing on the records of the Demerged Company as on 30th June 2021. The notice convening the meeting was also published in English daily 'Financial Express', Ahmedabad Edition on 12th October 2021 and Gujarati translation thereof in 'Kutch Mitra' on 12th October 2021. The affidavit dated 29th October 2021 was filed by the Chairman of the meeting confirming compliance of the directions on 3rd November 2021. The aforesaid meetings were duly convened and held on 16th November 2021 through video conference and the Chairman has filed its report with regard to the result of the aforesaid meetings before this Tribunal on 18th November 2021 vide affidavit dated 17th November 2021. On perusal of the same, it is noted that the Scheme was approved by 100% in number and 100% in value of the Secured Creditors of the Demerged Company, casting their votes in the meeting and by 100% in number and 100% in value of the Unsecured



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[Signature]

Creditors of the Petitioner Demerged Company, casting their votes in the meeting.

11. In compliance of the order pronounced by this Tribunal on 4th October 2021, a copy of statement required pursuant to Section 102 of the Act read with Sections 230 to 232 of the Act and Rule 6 of the Companies (CAA) Rules, 2016 was sent to the Equity Shareholders, to the Secured Creditors and to the Unsecured Creditors of the Resulting Company appearing on the records of the Resulting Company as on 30th June 2021. The notice convening the aforesaid meetings was also published in English daily 'Financial Express', Ahmedabad Edition on 13th October 2021 and Gujarati translation thereof in 'Kutch Mitra' on 13th October 2021. The affidavit dated 22nd October 2021 was filed by the Chairman of the aforesaid meetings confirming compliance of the directions on 3rd November 2021. The aforesaid meetings were duly convened and held on 16th November 2021 through video conference and the Chairman has filed his report with regard to the result of the aforesaid meetings before this Tribunal on 18th November 2021 vide affidavit dated 17th November 2021. On perusal of the same, the Scheme was approved by approximately 96.57% in number and approximately 100% in value of the Equity Shareholders, casting their votes through remote voting or voting in the meeting. Further in terms of SEBI Circular No. SEBI/HO/CFD/DIL1/CIR/P/2020/249 dated December 22, 2020 as amended from time to time, votes casted by the public shareholders in favour of the proposal are more than the number of votes casted by the public shareholders against it. Furthermore, the Scheme was approved by 100% in number



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and 100% in value of the Secured Creditors of the Resulting Company, casting their votes through remote voting or voting in the meeting and by 100% in number and 100% in value of the Unsecured Creditors of the Resulting Company, casting their votes through remote voting or voting in the meeting.

12. This Tribunal also directed the Petitioner Companies to issue notices in Form No. CAA.3 along with disclosures mentioned under Rule 6 of the Companies (CAA) Rules, 2016 to (i) the Central Government through the Regional Director, North Western Region; (ii) the Registrar of Companies, Gujarat; (iii) the Income-tax authorities concerned; and (iv) the Reserve Bank of India stating that representations, if any, to be made within a period of 30 days from the date of receipt of such notice, and in case no representation is received by the Tribunal within the stipulated period of 30 days, it should be presumed that the authorities have no representation to make. In compliance of the directions contained in the order pronounced on 4th October 2021, it is submitted that the Petitioner Companies have served notices to the Central Government through the Regional Director, North-western Region, the Registrar of Companies, Gujarat, the Income-tax authorities concerned and the Reserve Bank of India. The Resulting Company has also served notices to BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India. The Petitioner Companies have filed an affidavit dated 28th October 2021 confirming service of notice on the aforesaid authorities on 28th October 2021.



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13. The Petitioner Companies have jointly filed the present petition being C.P.(CAA)/67(AHM)2021 before this Tribunal seeking sanction of the Scheme.
14. This Tribunal by order delivered on 1st December 2021, admitted the petition and directed issuance of notice of hearing be advertised in "Financial Express" in English Ahmedabad edition and "Kutch Mitra" in Gujarati Ahmedabad edition, not less than ten days before the date fixed for hearing, calling for their objections, if any, on or before the date of hearing. This Tribunal also directed to issue notice to Regional Director, Registrar of Companies, Official Liquidator and Income Tax Authority.
15. Pursuant to the aforesaid order delivered on 1st December 2021 by this Tribunal, the Petitioner Companies filed affidavit of service dated 10th January 2022 with this Tribunal on 12th January 2022 submitting the proof of service and publication and also proof of issue of notice to the Regional Director, Registrar of Companies, Official Liquidator and Income Tax Authority. The Petitioner Companies have also issued notice to Reserve Bank of India and the Resulting Company has also issued notices to BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India.
16. The Petitioner Companies further submitted that apropos to the order pronounced on 4th October 2021, Regional Director filed his representation dated 13th December 2021 making following twelve observations.



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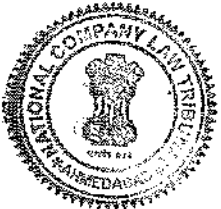
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17. In response to the representation dated 13th December 2021, made by the Regional Director, it is stated that the Petitioner Companies have filed an affidavit dated 10th January 2022 giving their response to all the observations of the Regional Director on 12th January 2022.
- i. The first, second and third observations being statements as matter of record, do not require any comments.
 - ii. With regards to the fourth observation, i.e., to increase the authorized capital of the Resulting Company, the Resulting Company is required to comply with the relevant provisions of the Companies Act, 2013 for increase in authorized share capital of the Resulting Company.

The Resulting Company states that pursuant to clause 18.3 of the Scheme, the shareholders have already given their consent whereby the authorised capital of the Resulting Company will be increased. Hence, it is not necessary to separately obtain the shareholders' consent under Section 61 of the Act. It is further submitted that under the accepted principles of Single Window Clearance, the Resulting Company is not required to comply with the provisions of Section 61 of the Act.

- iii. With regards to the fifth observation, i.e., the Petitioner Companies to undertake the compliance of Section 2(19AA) to the Income Tax Act in the matter.

The Petitioner Companies undertake to comply with Section 2(19AA) of the Income Tax Act, 1961 in the matter.



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- iv. With regards to the sixth observation, i.e. there is no provision in the companies Act, 2013 to increase the authorized capital without any liability for payment of fees/additional fees including fees and charges to the relevant Registrar of Companies) or stamp duty.

The Resulting Company undertakes to pay fees / additional fees and stamp duty as applicable to increase the authorised share capital of the Resulting Company.

- v. With regards to the seventh observation, i.e. there are Foreign National / NRI / Foreign Bodies Corporate is holding shares in the petitioner demerged company. The Regional Director is not aware as to whether the petitioner company has complied with the provisions of FEMA and RBI guidelines or not.

The Petitioner Companies undertake to ensure compliances of FEMA and RBI guidelines in the connection with the Scheme, from time to time.

- vi. With regards to the eighth observation, i.e. the Resulting Company is listed with the BSE and NSE. The SEBI circulars issued on 04.02.2013, 21.05.2013 and 10.03.2017 are intended to ensure compliance by listed company in the interest of shareholders at large. We are of the view that the said SEBI circulars are applicable and the Resulting Company should comply with the requirements of the said circular.



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The Resulting Company states that it has complied with the observation letters dated 17th September 2021, issued by BSE and NSE. Further, it undertakes to ensure about the compliances of the said observation letters issued by BSE and NSE.

- vii. With regards to the ninth observation,
 - a. The Resulting Company undertakes to comply with the payment of stamp duty, registration fees / additional fees etc. and file the relevant e-form with the respective/relevant Registrar of Companies, as may be required and applicable in case of increase in the authorised share capital of the Resulting Company
 - b. the Petitioner Companies undertakes to pay necessary stamp duty on transfer of property / assets in connection with the Scheme.
- viii. With regards to the tenth observation, being statement as matter of record, does not require any comment.
- ix. With regards to the eleventh observation, the Petitioner Companies undertake to pay such amount of legal fees / cost to the Central Government as is quantified and / or be considered appropriate by this Hon'ble Tribunal.
- x. With regards to the twelfth observation, the contents thereof do not require any comments/response.



18. The Petitioner Companies further submitted that apropos to the order delivered on 1st December 2021, Official Liquidator has filed his representation dated 2nd February 2022 making following observations.

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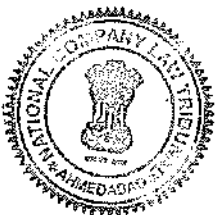
19. In response to the representation dated 2nd February 2022 made by the Official Liquidator, it is stated that the Petitioner Companies have filed an affidavit dated 3rd February 2022 giving their response to all the observations of the Official Liquidator on 4th February 2022.

- i. The first seven observations being statements as matter of record, do not require any comments.
- ii. With regards to the eighth observation, i.e. the Demerged Company to file its statutory returns, i.e. Annual Return and Balance Sheet as at 31.03.2021.

The Demerged Company undertakes to file its statutory returns i.e. Annual Return and Balance Sheet as at 31.03.2021 within the statutorily prescribed timelines and due dates.

- iii. With regards to the ninth observation, being statement as matter of record, does not require any comment.
- iv. With regards to the tenth observation, i.e. the applicant companies to place on record as to how the business / undertaking which is added in the main object clause of the demerged company on 21.06.2021 through special resolution can be demerged w.e.f 01.04.2021.

The Demerged Company states that the business / undertaking being demerged by the Demerged Company is provided under Clause III(A) of the Memorandum of Association of the Demerged Company. The Demerged Company had inserted Clause III(A)(2) in the Memorandum of Association vide a special resolution



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passed by the members in their extra ordinary general meeting held on June 21, 2021. However, the Demerged Company states that till now it does not have any business operations under Clause III(A)(2) of the Memorandum of Association.

- v. With regards to the eleventh observation, i.e. there is foreign investment in the Demerged Company. Therefore, the demerged company to place on records the approval to the Scheme of Arrangement granted by the Reserve Bank of India and FEMA.

The Demerged Company states it has served notice to Reserve Bank of India under section 230(5) of the Act. Further the Demerged Company undertakes to ensure compliances of FEMA and RBI guidelines in the connection with the Scheme, from time to time to the extent applicable.

- vi. With regards to the twelfth observation, i.e. to comply with the provisions of Section 61 and 64 of the Companies Act, 2013.

The Petitioner Companies undertakes to comply with the provisions of section 61 and section 64 of the Act.

- vii. With regards to the thirteenth observation, i.e. to place on record the probable regulatory constraints in the issue of the Shares under CRPS before sanctioning of the Scheme.



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The Demerged Company submits that the issue of cumulative redeemable preference shares to the foreign shareholder will be subject to the said foreign shareholder complying with applicable FEMA and RBI guidelines.

- viii. The observations from fourteen to twenty-one being statements as matter of record, do not require any comments.
- ix. With regards to the twenty second observation, the Demerged Company undertakes to preserve its books of accounts, papers and records and the same shall not be disposed of without the prior permission of Central Government as per the provisions of section 239 of the Act.
- x. With regards to the twenty third observation, the Demerged Company undertakes to ensure statutory compliances of all applicable laws and also on sanctioning of the Scheme and that it shall not be absolved from any of its statutory liabilities, in any manner.
- xi. With regards to the twenty fourth observation, the Demerged Company undertakes to pay such legal fees / cost to the office of Official Liquidator as is quantified by this Hon'ble Tribunal.
- xii. With regards to the twenty fifth observation, the Petitioner Companies undertakes to lodge a certified copy of order along with the Scheme, with the concerned



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Superintendent of Stamps for the purposes of adjudication of stamp duty payable, if any.

xiii. With regards to the twenty sixth observation, the Petitioner Companies undertakes to comply with the provisions of section 232(5) of the Act with respect to filing of certified copy of the order sanctioning the Scheme with the Registrar of Companies within 30 days from the date of passing of the order by the Hon'ble Tribunal.

20. In pursuance to the notice issued to the Income Tax Department, the Income Tax Department has filed their submission to the Scheme. Further submissions have also been made by the Income Tax Department by their letter dated 01.03.2022. In the said letter it has been specifically stated on behalf of the Income Tax Department that the dues of the Demerged Company are yet to be crystalized and Appeals are Pending.

21. In response to the submissions of the Income Tax Department, the Petitioner Companies have filed affidavit dated 22nd February 2022 giving their responses to the submissions of the Income Tax Department. The Petitioner Companies have further submitted that the present Scheme is a scheme of demerger and not a scheme of amalgamation and hence the Petitioner Companies would continue to survive post the Scheme becoming effective. The Scheme does not envisage any type of tax evasion or avoidance and the respective entities would continue to be liable and assessed by the Income Tax



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Department in accordance with the applicable provisions of the Income-tax Act, 1961.

22. The Petitioner Companies have further stated that all tax assessment, proceedings and appeals shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the demerger of the Demerged Undertaking (as defined in the Scheme) into the Resulting Company. Further through the Scheme, neither any waiver is sought for the outstanding tax liabilities not for abatement of pending proceedings. Further, the Petitioner Companies undertakes to co-operate with the Income Tax Department and make necessary payment of tax dues in accordance with the applicable provisions of the Income-tax Act, 1961 and as and when the liability to pay such dues materializes. There will no impact of the Scheme on the outstanding demand, pending proceedings and the interest of the Income Tax Department shall be protected and will not be adversely affected pursuant to the Scheme.
23. Heard Learned Senior Advocate Mr. Saurabh Soparkar along with Ms. Dharmishta N. Raval, Advocate for the Petitioner Companies and perused the documents on record.
24. Considering the entire facts and circumstances of the case and on perusal of the Scheme, the documents produced on record, the representation made by the Regional Director, the Official Liquidator and the Income Tax Department and the reply thereof by the petitioner companies, this Tribunal is of the opinion that the requirements of the provisions of Sections 230 and 232 of the Act are satisfied. The reply given by the



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Petitioner Companies to the representation of the Regional Director, the Official Liquidator and the Income Tax Department satisfied the observations of the Regional Director, the Official Liquidator and the Income Tax Department. The Scheme appears to be genuine and bonafide and in the interest of the shareholders and creditors. Consequently, the Company Petition No. C.P. (CAA) 67 of 2021 is allowed with following directions.

ORDER

- I. The Scheme of Arrangement in the nature of Demerger as annexed herewith as "**Annexure-A**" is hereby sanctioned and it is declared that the same shall be binding on the Petitioner Companies i.e., Welspun Steel Limited and Welspun Corp Limited, their Equity Shareholders, Secured Creditors and Unsecured Creditors and all concerned under the Scheme.

- II. All the property annexed herewith as "**Annexure B**", rights and powers of the Demerged Undertaking (as defined in the Scheme) of the Demerged Company specified in the schedule hereto be transferred without further act or deed to the Resulting Company and accordingly the same shall pursuant to section 232 of the Act, be transferred to and vested in the Resulting Company.



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- III. All the liabilities and duties of the Demerged Undertaking (as defined in the Scheme) of the Demerged Company be transferred without further act or deed to the Resulting Company and accordingly the same shall pursuant to Section 232 of the Act, become the liabilities and duties of the Resulting Company.
- IV. All proceedings now pending, if any, by or against the Demerged Undertaking of the Demerged Company be continued by or against the Resulting Company as per the terms of the Scheme.
- V. It is further ordered that the Petitioner Companies shall comply with Rule 17(2) of Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 with respect to filing of order, for confirmation of the Scheme in Form INC-28 with the Registrar of Companies.
- VI. All concerned Authorities to act on copy of this order along with the Scheme authenticated by the Registrar of this Tribunal. The Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme immediately.
- VII. The Petitioner Companies are directed to lodge a copy of this order and the approved Scheme duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for adjudication of stamp duty, if any, within 60 days from the date of the Order.

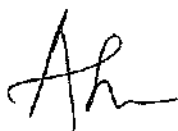


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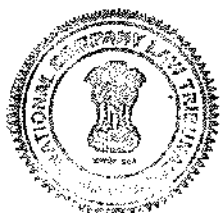
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- VIII. The Petitioner Companies are directed to file a copy of this Order along with a copy of the Scheme in the nature of Demerger duly authenticated by the Registrar of this Tribunal, with the Registrar of Companies, Ahmedabad, electronically, along with Form INC-28 in addition to physical copy as per relevant provisions of the Act.
- IX. The legal and expenditure fees for the Office of the Regional Director is quantified to Rs.15,000/- and for the Office of the Official Liquidator is quantified to Rs.15,000/-.
- X. The aforementioned legal fees and expenses to the Regional Director and the Official Liquidator shall be paid by the respective Petitioner Companies.
- XI. That any person interested shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

25. Hence, the Company Petition is disposed of.



AJAI DAS MEHROTRA
MEMBER (TECHNICAL)



Sudha/Shweta Desai



MADAN B. GOSAVI
MEMBER (JUDICIAL)

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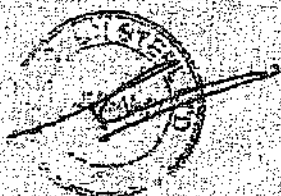
"Annexure-A"

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**SCHEME OF ARRANGEMENT
BETWEEN
WELSPUN STEEL LIMITED ("THE DEMERGED COMPANY" OR "WSL")
AND
WELSPUN CORP LIMITED ("THE RESULTING COMPANY" OR "WCL")
AND
THEIR RESPECTIVE SHAREHOLDERS**
(Under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of
the Companies Act, 2013)

A. Preamble and Background of the Scheme:

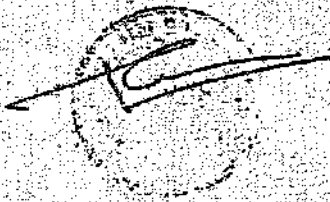
1. This Scheme of Arrangement ("Scheme") is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, rules and regulations made thereunder between Welspun Steel Limited having CIN: U27109GJ2004PLC044249 ("the Demerged Company" or "WSL") and Welspun Corp Limited having CIN: L27100GJ1995PLC025609 ("the Resulting Company" or "WCL") for transfer and vesting of the Demerged Undertaking (as defined below) of WSL into WCL with effect from the Appointed Date (hereinafter defined), and upon effectiveness of the Scheme on the Effective Date (hereinafter defined).
2. This Scheme also provides for various other matters consequential or otherwise integrally connected herewith, in the manner provided for in this Scheme and in compliance with the relevant provisions of the Income Tax Act, 1961.
3. The Demerged Company is a public limited company, incorporated on 3 June 2004 under the provisions of the Companies Act, 1956, has its registered office situated at S N 650 Village Varsamedi, Taluka Anjar, District- Kutch, Gujarat- 370110 and is *inter alia* engaged in the business of manufacturing and sale of sponge iron, steam, other by-products and trading of TMT and rail tracks sleepers.



4. The Resulting Company is a public limited company, incorporated on 26 April 1995, under the provisions of the Companies Act, 1956, has its registered office situated at Welspun City, Village Versamedi, Taluka Anjar, Dist. Kutch, Gujarat - 370110 and is *inter alia* engaged in the business of manufacturing of steel pipes of various dimensions & thickness, coated & uncoated having application in water, oil & gas and other liquid transportation pipelines. The equity shares of the Resulting Company are listed on the National Stock Exchange of India Limited and the BSE Limited, Mumbai.
5. The Demerged Undertaking of the Demerged Company is proposed to be demerged and vested into the Resulting Company in conformity with the provisions of Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961 shall prevail, and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income tax Act, 1961. Such modification(s), will, however, not affect the other provisions of the Scheme including accounting treatment prescribed under Clause 12 of this Scheme.

B. Rationale for the Scheme

The Board of Directors of the Demerged Company and the Resulting Company, after intensive deliberations, recommended that this is the right time to demerge and separate the business of the Demerged Undertaking from the Demerged Company into the Resulting Company with an expectation to simplify the group structure and to achieve the following synergies for the group:



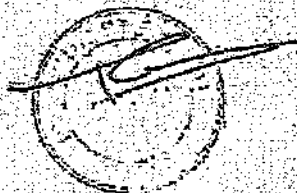
Since the business of the Demerged Undertaking will supplement the business of the Resulting Company, the consolidation of the Demerged Undertaking with the business of the Resulting Company is expected to provide *inter-alia* the following benefits:

- a. The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for mutual benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings. Further, the operations of the Demerged Undertaking could have access to the Resulting Company's marketing capabilities.
- b. Greater economies of scale and will provide a larger and stronger base for potential future growth;
- c. Consolidation and simplification of the group structure;
- d. reduction in overheads, administrative, managerial and other expenditure;
- e. operational rationalization and increase in operating efficiency; and
- f. synergistic benefits, expansion and acquisition opportunities.

There is no adverse effect of the Scheme on the directors, key managerial personnel, promoters, non-promoter shareholders, creditors, vendors and employees of the Demerged Company and the Resulting Company. The Scheme would be in the best interest of all stakeholders.

Taking the above background into consideration, Scheme has been recommended involving the following:

1. The Demerged Undertaking of the Demerged Company i.e. WSL be demerged and vested into the Resulting Company i.e. WCL, on a going concern basis with effect from the Appointed Date.
2. The Residual Undertaking of the Demerged Company, shall continue to be vested in the Demerged Company.



C. Parts of the Scheme:

The Scheme is divided into following parts:

- a. Part A deals with the Definitions and Share Capital;
- b. Part B deals with the demerger of the Demerged Undertaking of WSL into WCL in accordance with Section 230-232 of the Companies Act, 2013 and other applicable provisions of the said Act and the rules enacted thereunder and in compliance with Section 2(19AA) of the Income Tax Act, 1961.;
- c. Part C deals with the General Terms and Conditions.

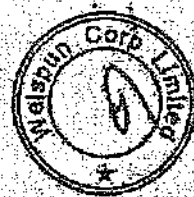
PART A: DEFINITIONS AND SHARE CAPITAL

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

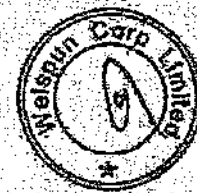
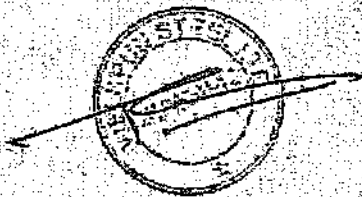
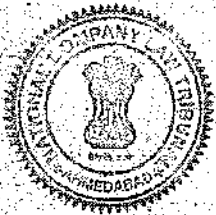
1.1 "Act" or "the Act" means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modifications, amendments or re-enactment framed thereunder as in force from time to time;

1.2 "Applicable Law" means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force;

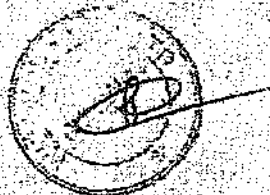
"Appointed Date" means April 1, 2021 or such other date as may be approved by the NCLT;



- 1.4 "Appropriate Authority" means any applicable central, state or local government, legislative body, statutory, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Regional Director, Registrar of Companies, NCLT and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context;
- 1.5 "Board of Directors" or "Board" in relation to the Demerged Company and the Resulting Company, as the case may be, means the Board of Directors of such company, and unless repugnant to the subject, context or meaning thereof, shall be deemed to include every committee (including any committee of directors) or any person authorized by the Board or by any such committee;
- 1.6 "Cumulative Redeemable Preference Shares" or "CRPS" means Cumulative Redeemable Preference Shares to be issued and allotted by the Resulting Company (with such terms and conditions as specified under Annexure to this Scheme);
- 1.7 "Demerged Company" or "WSL" means Welspun Steel Limited, a company incorporated under the Companies Act, 1956 and having its registered office at S N 650, Village Varsamedi, Taluka Anjar Dist Kutch, Gujarat - 370110, India and having Corporate Identification Number: U27109GJ2004PLC044249;
- 1.8 "Demerged Undertaking" shall mean undertaking, business, activities and operations pertaining to steel, specialty steel and thermo mechanical treatment bars manufacturing business carried on by WSL directly or indirectly through its subsidiaries (which includes Welspun Specialty Solutions Limited, Anjar TMT Steel Private Limited etc); investments related to said businesses; and comprising of all the assets (moveable, incorporeal and immoveable) and liabilities which relate thereto, or are necessary therefore and including specifically the following:

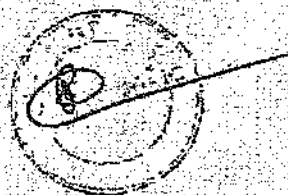


- (i) all assets, title, properties, interests, investments, loans, advances (including accrued interest) and rights, including rights arising under contracts, wherever located (including in the possession of vendors, third parties or elsewhere), whether real, personal or mixed, tangible, intangible or contingent, exclusively used or held, by the Demerged Company in, or otherwise identified for use in business, activities and operations pertaining to its Demerged Undertaking, including but not limited to all land (other than government land), factory building, equipment, plant and machinery, offices, capital work in progress, furniture, fixtures, office equipment, appliances, accessories, receivables, vehicles, deposits, all stocks, assets, cash, balances with banks, certain identified investments, all customer contracts, contingent rights or benefits, etc., pertaining to its Demerged Undertaking (collectively, the "Identified Assets");
- (ii) all debts, liabilities (including towards warrants not exercised), guarantees, assurances, commitments and obligations of any nature or description, whether fixed, contingent or absolute, asserted or unasserted, matured or unmatured, liquidated or unliquidated, accrued or not accrued, known or unknown, due or to become due, whenever or however arising, (including, without limitation, whether arising out of any contract or tort based on negligence or strict liability), or pertaining to the Demerged Undertaking (collectively, "Identified Liabilities");
- (iii) all contracts, approvals, agreements, licenses, leases, linkages, memoranda of undertakings, memoranda of agreement, memoranda of agreed points, letters of agreed points, arrangements, undertakings, whether written or otherwise, deeds, bonds, schemes, arrangements, sales orders, purchase orders or other instruments of whatsoever nature to which the Demerged Company is a party, exclusively relating to the undertaking, business, activities and operations pertaining to its Demerged Undertaking or otherwise identified to be for the benefit of the same, including but not limited to the relevant licenses, water supply/ environment approvals, and all other rights and approvals, electricity permits, telephone connections, building and parking rights, pending applications for consents or



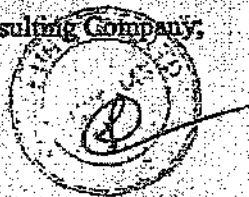
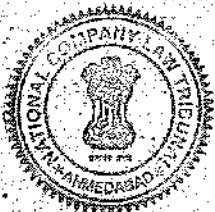
extension, all incentives, tax benefits, tax credits (including any credits arising from advance tax, self-assessment tax, other income tax credits, withholding tax credits, minimum alternate tax credits, CENVAT credits, goods and services tax credits, other indirect tax credits and other tax receivables), other claims under tax laws, incentives (including incentives in respect of income tax, sales tax, value added tax, service tax, custom duties and goods and services tax), deferrals, subsidies, concessions, benefits, grants, rights, claims, liberties, special status and privileges enjoyed or conferred upon or held or availed of by the Demerged Company in relation to its Demerged Undertaking, permits, quotas, consents, registrations, lease, tenancy rights in relation to offices and residential properties, permissions, incentives, if any, in relation to its Demerged Undertaking, and all other rights, title, interests, privileges and benefits of every kind in relation to its Demerged Undertaking (collectively, "Identified Contracts");

- (iv) all registrations, trademarks, trade names, service marks, copyrights, patents, designs, domain names, applications for trademarks, trade names, service marks, copyrights, designs and domain names exclusively used by or held for use by the Demerged Company in the Demerged Undertaking, (collectively, "Identified IP");
- (v) all permits, licenses, consents, approvals, subsidies, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, clearances, credits, awards, sanctions, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, issued by any legislative, executive, or judicial unit of any Governmental or semi-Governmental entity or any department, commission, board, agency, bureau, official or other regulatory, local, administrative or judicial authority exclusively used or held for use by the Demerged Company in the undertaking, business, activities and operations pertaining to the Demerged Undertaking (collectively, "Identified Licenses");

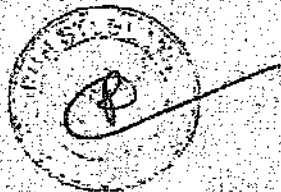


- (vi) all such staff, workmen and employees of the Demerged Company, employees/personnel engaged on contract basis and contract labourers and interns/trainees, both on-shore and off-shore, as are primarily engaged in or in relation to the Demerged Undertaking, business, activities and operations pertaining to the Demerged Undertaking, at its respective offices, branches etc, and any other employees/personnel and contract labourers and interns/trainees hired by the Demerged Company after the date hereof who are primarily engaged in or in relation to the Demerged Undertaking, business, activities and operations pertaining to Demerged Undertaking (collectively, "Identified Employees");
- (vii) all liabilities present and future (including contingent liabilities pertaining to or relating to the Demerged Undertaking), as may be determined by the Board of the Demerged Company;
- (viii) all deposits and balances with Government, quasi-Government, municipal, local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits paid or received by the Demerged Company, directly or indirectly in connection with or in relation to the Demerged Undertaking;
- (ix) all books, records, files, papers, directly or indirectly relating to the Demerged Undertaking, but shall not include any portion of the Remaining Business or Residual Undertaking of WSL; and
- (x) any other asset / liability which is deemed to be pertaining to the Demerged Undertaking by the Board of the Demerged Company.

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking shall be decided by mutual consent between the Board of Directors of the Demerged Company and the Resulting Company.

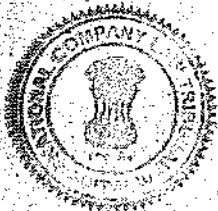


- 1.9 "Effective Date" or "coming into effect of this Scheme" or "upon the Scheme becoming effective" or "effectiveness of the Scheme" means the date on which the conditions specified in Clause 21 of this Scheme are complied with. Any reference in this Scheme to the date of "coming into effect of the/this Scheme" or "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall be construed accordingly;
- 1.10 "Employee Benefit Funds" means the existing benefits including provident fund, gratuity fund, pension fund, superannuation fund, trusts, retirement fund or benefits and any other funds created or existing for the benefit of the employees;
- 1.11 "National Company Law Tribunal" or "Tribunal" or "NCLT" means the National Company Law Tribunal, Ahmedabad Bench, as constituted and authorized as per the provisions of the Companies Act, 2013 for approving any scheme of arrangement, compromise or reconstruction of companies under Section 230 to 232 of the Companies Act, 2013 and having jurisdiction over the Demerged Company and the Resulting Company;
- 1.12 "Record Date" shall be the date to be fixed by the Board of Demerged Company in consultation with the Resulting Company for the purpose of determining the equity shareholders of the Demerged Company for issue of shares pursuant to this Scheme;
- 1.13 "Residual Undertaking" or "Remaining Business" are the terms used to refer the business of the Demerged Company, as would continue immediately after the transfer and vesting of the Demerged Undertaking in the Resulting Company.
- 1.14 "Resulting Company" or "WCL" means Welspun Corp Limited, a company incorporated under the Companies Act, 1956 and having its registered office at Welspun City, Village Versamedi, Taluka Anjar, Gujarat - 370110 and having Corporate Identification Number: L27100GJ1995PLC025609;



- 1.15 "Scheme" or "the Scheme" or "this Scheme" means the Scheme of arrangement in its present form (along with any annexures, schedules, etc., annexed/attached hereto) or with any modification(s) and amendments made under Clause 20 of this Scheme from time to time and with appropriate approvals and sanctions as imposed or directed by the NCLT or such other competent authority, as may be required under the Act, as applicable, and under all other applicable laws;
- 1.16 "SEBI" means the Securities and Exchange Board of India, constituted under the Securities and Exchange Board of India Act, 1992;
- 1.17 "SEBI Scheme Circular" means the circular issued by the SEBI as may be applicable, including Circular CFD/DIL3/CIR/2017/21 dated March 10, 2017 and any amendments thereof or modifications issued (consolidated under the circular being SEBI/HO/CFD/DIL1/CIR/P/ 2020/249 dated 22 December 2020) pursuant to the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015;
- 1.18 "Stock Exchanges" means the BSE Limited ("BSE") and/ or wherever applicable, the National Stock Exchange of India Limited ("NSE");

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



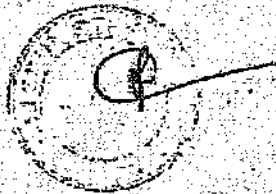
2. INTERPRETATIONS

In the Scheme, unless the context otherwise requires:

- 2.1 reference to clauses, recitals and schedules, unless otherwise provided, are to clauses, recitals and schedules of and to this Scheme;
- 2.2 references to the singular shall include the plural and vice versa and references to any gender includes the other gender;
- 2.3 references to a statute or statutory provision include that statute or provision as from time to time modified or re-enacted or consolidated and (so far as liability thereunder may exist or can arise) shall include also any past statutory provision (as from time to time modified or re-enacted or consolidated) which such provision has directly or indirectly replaced, provided that nothing in this Clause shall operate to increase the liability of any party beyond that which would have existed had this Clause been omitted.
- 2.4 the headings are inserted for ease of reference only and shall not affect the construction or interpretation of the relevant provision of this Scheme.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the NCLT or made as per Clause 20 of the Scheme, shall be effective from the Appointed Date and shall be operative from the Effective Date.



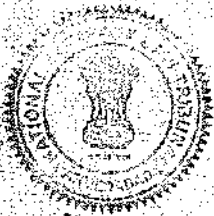
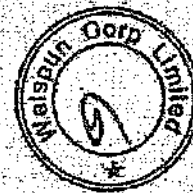
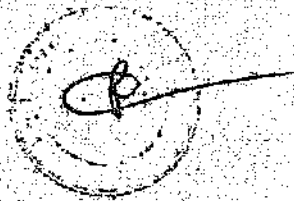
4. SHARE CAPITAL

4.1 The Demerged Company:

The authorized, issued, subscribed and paid-up share capital of the Demerged Company as on March 31, 2021 is as under:

Particulars	No. of Shares	Amount in INR
<u>Authorized Capital</u>		
Equity Shares (Face Value of Rs. 10/- each)	76,07,60,000	760,76,00,000
Preference Shares (Face Value of Rs. 10/- each)	30,53,00,000	305,30,00,000
Total		1066,06,00,000
<u>Issued, Subscribed and Paid-up</u>		
Equity Shares (Face Value of Rs. 10/- each)	44,78,13,359	447,81,33,590
Total		447,81,33,590

Subsequent to the above date and till the date of the Board meeting of the Demerged Company for approval of the Scheme, there is no change in the issued, subscribed and paid-up capital of the Demerged Company.



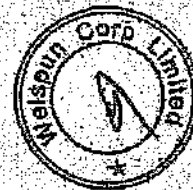
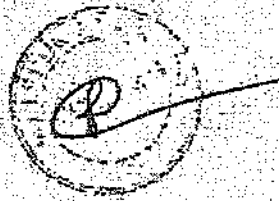
4.2 The Resulting Company:

The authorized, issued, subscribed and paid-up share capital of the Resulting Company as on March 31, 2021 is as under:

Particulars	Amount in INR
Authorized Capital	
30,41,00,000 Equity shares of Rs. 5 each	1,520,500,000
9,80,00,000 Preference shares of Rs. 10 each.	980,000,000
Total	2,500,500,000
Issued, Subscribed and Paid-up	
26,08,84,395 Equity shares of Rs. 5 each	1,304,421,975

Subsequent to the above date, the Company has issued and allotted 65,000 Equity Shares of Rs. 5 each fully paid-up upon exercise of Employee Stock Option. Further, the Resulting Company has reserved 23,50,000 stock options under the Welspun Employee Stock Option Plan and granted 23,50,000 stock options at an exercise price of Rs.100 on August 16, 2018, which options will be vested over a period of 3 years with the first vesting date being 1 year from the date of grant of the option (i.e., August 16, 2019). Out of granted options, 1,85,000 options lapsed and 20,85,000 options are yet to be exercised. The exercise of stock options before the Effective Date, under and in accordance with the Welspun Employee Stock Option Plan, would result in an increase in the issued, subscribed and paid-up equity share capital of the Resulting Company.

The Resulting Company allotted 80,000 equity shares upon exercise of ESOP by 2 grantees on March 9, 2020 and April 10, 2021 respectively.



PART BDEMERGER OF DEMERGED UNDERTAKING OF WSL INTO WCL5. TRANSFER AND VESTING OF DEMERGED UNDERTAKING OF THE DEMERGED COMPANY INTO RESULTING COMPANY

5.1 Upon coming into effect of this Scheme and subject to the provisions of this Scheme, with effect from the Appointed Date, the Demerged Undertaking of the Demerged Company shall stand transferred and vested in and/or be deemed to have been transferred and vested in the Resulting Company, as a going concern, without any further deed or act, together with all its assets, liabilities, properties, rights, benefits and interest therein, subject to existing charges thereon in favour of banks and financial institutions or *lis pendens* or otherwise, as the case may be and shall subject to the provisions of this clause in relation to the mode of transfer and vesting and pursuant to the provisions of the Scheme in accordance with Sections 230 to 232 of the Act and all other applicable provisions of law, if any.

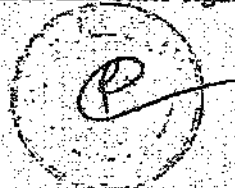
5.2 Without prejudice to the generality of the foregoing, upon the Scheme becoming effective with effect from the Appointed Date, the assets and the properties of the Demerged Company in relation to the Demerged Undertaking shall include, without limitation:

5.2.1 All the Identified Assets, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery, wherever located, or by vesting and recordal pursuant to this Scheme, the same shall stand transferred and vested by the Demerged Company to the Resulting Company and shall become the property of the Resulting Company as an integral part of the Demerged Undertaking. The transfer and vesting pursuant to this sub-clause shall be deemed to have occurred by physical delivery and possession or



negotiation and endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred and vested accordingly.

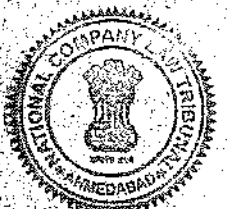
- 5.2.2 All assets, estate, rights, title, interest and authorities acquired by the Demerged Company after the Appointed Date and prior to the Effective Date for operation of the Demerged Undertaking shall also stand transferred to and vested in the Resulting Company upon the coming into effect of the Scheme.
- 5.2.3 All Identified Assets that are other movable properties, 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, customers and other persons, shall without any further act, instrument or deed, pursuant to the vesting order and by operation of law become the property of the Resulting Company, and the title thereof together with all rights, interests or obligations therein shall be deemed to have been mutated and recorded as that of the Resulting Company and any document of title pertaining to the assets of the Demerged Undertaking shall also be deemed to have been mutated and recorded as titles of the Resulting Company to the same extent and manner as originally held by the Demerged Company and enabling the ownership, right, title and interest therein as if the Resulting Company was originally the Demerged Company.
- 5.2.4 any and all immoveable properties (including land together with the buildings and structures standing thereon) of the Demerged Company relating to the Demerged Undertaking, whether leasehold, freehold, under development or otherwise and any documents of title, rights and easements in relation thereto shall stand transferred to and vested in the Resulting Company, without any act or deed done by the Demerged Company or the Resulting Company. With effect from the Effective Date, the Resulting Company shall be entitled to exercise all rights and privileges and be liable to pay lease rent, ground rent, municipal taxes and fulfil all obligations in relation to or applicable to such immoveable properties and transfer of the leasehold and other rights therein, as applicable, in the name of the Resulting



Company shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme by the NCLT and this Scheme becoming effective with effect from the Appointed Date, in accordance with the terms hereof without any further act or deed or part of Resulting Company;

5.2.5 The Demerged Company and the Resulting Company, as the case may be, shall at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, will execute deeds of confirmation or novation, other writings or arrangements with any party to any contract or arrangements in relation to the Demerged Undertaking to which the Demerged Company is a party as may be required to formalize the effectiveness of the Scheme. Provided however that execution of any confirmation or novation or other writings or arrangement shall in no event postpone the giving effect to the Scheme from the Appointed Date. The Resulting Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on part of the Demerged Company.

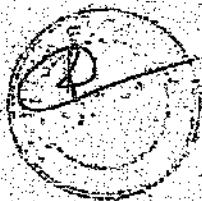
5.2.6 For the purpose of giving effect to the order passed under Sections 230 to 232 of the Companies Act, the Resulting Company shall at any time pursuant to the orders on this Scheme, be entitled to get the recordal of the change in the title and appurtenant legal right(s) upon the vesting of such Demerged Undertaking in the Resulting Company, including without limitation, in relation to assets belonging to Demerged Undertaking, the vesting of which in the Resulting Company is desirable to be recorded separately, the Demerged Company and the Resulting Company each will execute such deeds, documents or such other instruments or writings or create evidence, if any, as may be necessary. The Demerged Company and the Resulting Company are jointly and severally authorised to execute any writing as are required to remove any difficulties and carry out any formalities or compliance for the implementation of this Scheme.



5.2.7 For avoidance of doubt and without prejudice to the generality of the applicable provisions of the Scheme, it is clarified that with effect from the Effective Date all the cheques and other negotiable instruments, payment orders in relation to the Demerged Undertaking which are received or presented for encashment and such collection is made in the name of the Demerged Company, such collection shall without any further act or deed be and stand transferred to the Resulting Company. It is hereby expressly clarified that any legal proceedings by or against the Demerged Company, in relation to or in connection with the Demerged Undertaking, in relation to the cheques and other negotiable instruments, payment orders received or presented for encashment, which are in the name of the Demerged Company shall be instituted, or as the case may be, continued by or against the Resulting Company after the coming into effect of this Scheme.

5.3 With effect from the Appointed Date and upon the Scheme becoming effective:

5.3.1 All Identified Liabilities including debts, liabilities (including the Identified Liabilities), contingent liabilities, duties and obligations of every kind, nature and description, whether provided for or not or disclosed in the books of the Demerged Undertaking, attributable to the Demerged Undertaking, including any license/s shall without any further act or deed, be transferred to, or be deemed to be transferred to the Resulting Company so as to become from the Appointed Date, the debts, liabilities, contingent liabilities, duties and obligations of the Resulting Company and the Resulting Company undertakes to meet, discharge and satisfy the same. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this sub-clause.



5.3.2 Where any of the liabilities and obligations attributed to the Demerged Undertaking on the Appointed Date has been discharged by the Demerged Company on behalf of the Demerged Undertaking after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on behalf of the Resulting Company.

5.3.3 All liabilities and obligations attributed to the Demerged Undertaking, including its unsecured loans taken over by the Resulting Company may be discharged by the Resulting Company in the manner as the Resulting Company may deem fit.

5.3.4 All loans raised and used, and liabilities incurred, if any, by the Demerged Company after the Appointed Date, but prior to the Effective Date, for the operations of the Demerged Undertaking shall be transferred and discharged by the Resulting Company.

5.4 All Identified Contracts including contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) for the purpose of carrying on the business of Demerged Undertaking of the Demerged Company, and in relation thereto, and those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Demerged Undertaking of the Demerged Company, or to the benefit of which, Demerged Undertaking of the Demerged Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of NCLT sanctioning the Scheme be deemed to be contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies) of the Resulting Company. Such properties and rights described hereinabove shall stand vested in the Resulting Company and shall be deemed to be the property and become the property by operation of law as an integral part of the Resulting Company. Such contracts and properties described above shall continue to be in full force



and continue as effective as hitherto in favour of or against the Resulting Company and shall be the legal and enforceable rights and interests of the Resulting Company, which can be enforced and acted upon as fully and effectually as if, it were the Demerged Company, as the Resulting Company is and successor in interest. Upon the Scheme becoming effective, the rights, duties, obligations, interests flowing from such contracts and properties, shall be deemed to have been entered in and novated to the Resulting Company by operation of law and the Resulting Company shall be deemed to be its substituted party or beneficiary or obligor thereto. In relation to the same any procedural requirements required to be fulfilled solely by the Demerged Company (and not by any of its successors), shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. Upon this Scheme becoming effective and with effect from the Appointed Date, any contract of the Demerged Company relating to or benefiting at present the Demerged Company and the Demerged Undertaking, shall be deemed to constitute separate contracts, thereby relating to and/or benefiting the Resulting Company, respectively.

5.5

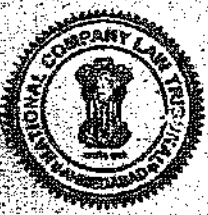
All the Identified Employees shall become employees of and be engaged by the Resulting Company pursuant to the vesting order and by operation of law, with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Demerged Company, without any interruption of service as a result of this hiving-off, without any further act, deed or instrument on the part of the Demerged Company or the Resulting Company. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees, the Resulting Company shall stand substituted for the Demerged Company for all purposes whatsoever, upon the Scheme becoming effective, including with regard to the obligation to make contributions to relevant authorities, such as the Regional Provident Fund Commissioner or to such other funds maintained by the Demerged Company, in accordance with the provisions of applicable laws or otherwise. It is hereby clarified that upon the Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to such employees and the services of all such employees of the Demerged Company for such purpose shall be treated as having been



continuous.

5.6 All Identified IP including registrations, goodwill, licenses, trademarks, service marks, copyrights, domain names, applications for copyrights, trade names and trademarks, appertaining to the Demerged Undertaking of the Demerged Company, if any, shall stand vested in the Resulting Company without any further act, instrument or deed (unless filed only for statistical record with any appropriate authority or Registrar), on the order of the NCLT sanctioning the Scheme. The other intellectual property rights presently held by the Demerged Company, that relates to or benefit at present the Demerged Company and the Demerged Undertaking, shall be deemed to constitute separate intellectual property rights and the necessary substitution/endorsement shall be made and duly recorded in the name of the Demerged Company and the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by NCLT.

5.7 All Identified Licenses including approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description whatsoever in relation to the Demerged Undertaking of the Demerged Company, or to the benefit of which the Demerged Undertaking of the Demerged Company may be eligible/entitled, and which are subsisting or having effect immediately before the Effective Date, shall by endorsement, delivery or recordal or by operation of law pursuant to the vesting order of NCLT sanctioning the Scheme, shall be deemed to be approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature of the Resulting Company, and shall be in full force and effect in favour of the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary or obligor thereto. Such of the other permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments,



concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, as are held at present by the Demerged Company, but relate to or benefitting the Demerged Company and the Demerged Undertaking, shall be deemed to constitute separate permits, licenses, consents, approvals, authorizations, quotas, rights, entitlements, allotments, concessions, exemptions, liberties, advantages, no-objection certificates, certifications, easements, tenancies, privileges and similar rights, and any waiver of the foregoing, and the necessary substitution/endorsement shall be made and duly recorded in the name of the Resulting Company, respectively, by the relevant authorities pursuant to the sanction of this Scheme by NCLT. It is hereby clarified that if the consent of any third party or authority is required to give effect to the provisions of this Clause, the said third party or authority shall take on record the drawn up order of NCLT sanctioning the Scheme on its file and make and duly record the necessary substitution or endorsement in the name of the Resulting Company as successor in interest, pursuant to the sanction of this Scheme by NCLT, and upon the Scheme becoming effective in accordance with the terms hereof. For this purpose, the Resulting Company shall file certified copies of such sanction order, and if required file appropriate applications, forms or documents with relevant authorities concerned for statistical, information and record purposes only, and there shall be no break in the validity and enforceability of approvals, consents, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses (including the licenses granted by any Governmental, statutory or regulatory bodies for the purpose of carrying on its business or in connection therewith), and certificates of every kind and description of whatsoever nature.

- 5.8 In so far as assets comprised in the Demerged Undertaking of the Demerged Company are concerned, the security, existing charges, mortgages and encumbrances, if any, over or in respect of any of such assets or any part thereof or charge over such assets relating to any loans or borrowings of the Demerged Company which are not transferred to the Resulting Company shall, without any further act or deed (other than the consent of the relevant lenders), be released and discharged from the same and shall no longer be available as security. Further, upon coming into effect of this Scheme, any loan, deposit or facility



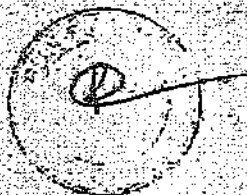
availed by both the Demerged Company in respect of the Demerged Undertaking and by the Resulting Company shall have security, charge and / or mortgage extended over the assets / class of assets of the Resulting Company including the assets forming part of the Demerged Undertaking as under:

- Working capital lenders shall be secured by 1st *pari-passu* charge on all the current assets and 2nd *pari-passu* charge on all fixed assets in line with the existing charge in favour of existing lenders.
- Term loan lenders shall be secured by 1st *pari-passu* charge on all the fixed assets.

Such security, charge and / or mortgage shall be deemed to be carried out as an integral part of this Scheme without any further act or deed on the part of the Resulting Company.

5.9 All the loans, advances and other facilities, including vehicle loans, cash credit limits and bank guarantees sanctioned to the Demerged Company in relation to the Demerged Undertaking, if any, by its bankers and financial institutions prior to the Appointed Date, which are partly drawn or utilized shall be deemed to be the loans and advances, facilities, bank guarantees sanctioned to the Resulting Company and the said loans and advances, facilities, shall be drawn and utilized either partly or fully by the Demerged Company from the Appointed Date till the Effective Date and all the loans, advances and other facilities so drawn by the Demerged Company in relation to the Demerged Undertaking (within the overall limits sanctioned by their bankers and financial institutions) shall on the Effective Date be treated as loans, advances bank guarantees and other facilities made available to the Resulting Company and all the obligations of the Demerged Company in relation to the Demerged Undertaking under any loan agreement (save and except as provided in Clause 5.8 above regarding the security, existing charges etc.) shall be construed and shall become the obligation of the Resulting Company without any further act or deed on the part of the Resulting Company.

5.10 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement



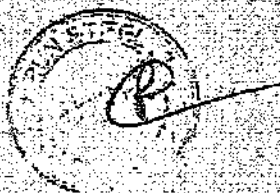
or any other instrument, but subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements and other instruments, if any, of whatsoever nature and subsisting or having effect on the Effective Date and relating to the Demerged Undertaking, shall continue in full force and effect against or in favor of the Resulting Company and may be enforced effectively by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.

5.11 The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, in relation to the Demerged Undertaking, enter into, or issue or execute deeds, writings, confirmations, novations, declarations, other documents or tripartite arrangements with, or in favor of any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Resulting Company shall be deemed to be authorized to execute any such writings as a successor of the Demerged Company in relation to the in relation to the Demerged Undertaking and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

5.12 All cheques and other negotiable instruments, payment orders received in the name of the Demerged Company in relation to the Demerged Undertaking, after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company. Similarly, the banker of Resulting Company shall honor cheques issued by the Demerged Company for payment in relation to the Demerged Undertaking after the Effective Date.

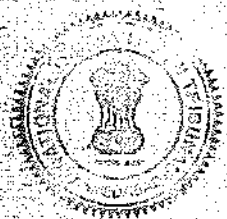
6. CLAIMS AND LEGAL PROCEEDINGS

6.1 All the claims or legal proceedings of whatsoever nature by or against the Demerged Company in relation to the Demerged Undertaking, pending before the Effective Date shall not abate or be discontinued or be in any way prejudicially be affected by reason of the Scheme or by anything contained in this Scheme but shall be continued and enforced by or



against the Resulting Company, as the case may be, in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. In the event of any difference or difficulty on whether any specific legal or other proceeding relates to the Demerged Undertaking or not, a certificate jointly issued by the Demerged Company and the Resulting Company as to whether such proceeding relates to the Demerged Undertaking or not shall be conclusive evidence of the matters.

- 6.2 If proceedings are taken against the Demerged Company, in respect of matters referred to above, it shall defend the same in accordance with the advice of the Resulting Company. The cost of such defense shall be borne by the Resulting Company. The Resulting Company undertake to reimburse and indemnify the Demerged Company against all liabilities and obligations incurred by the Demerged Company (in relation to the Demerged Undertaking) in respect thereof.
- 6.3 The Resulting Company undertakes to have all the claims, legal or other proceedings initiated by or against the Demerged Company in respect of matters referred above changed into its name and account and to have the same continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company to the extent possible.
- 6.4 The transfer and vesting of the assets, liabilities and obligations of the Demerged Company under Clause 5 above, the continuance of claims and legal proceedings by or against the Resulting Company under Clause 6 hereof shall not affect any transactions or any proceedings already completed by the Demerged Company on and after the Appointed Date to the end and intent that, subject to anything contained to the contrary in this Scheme, the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.
- 6.5 Without prejudice to Clause 6.1 of this Scheme, if the Resulting Company is in receipt of any new demand, claim or notice (as the case may be) ("Claim") which results into cash

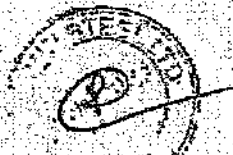
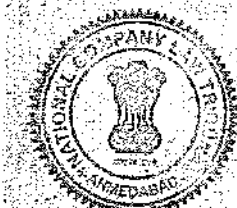


outflow for the Resulting Company and / or is impleaded as a party in any proceedings before any Appropriate Authority which was unknown or undisclosed to the Resulting Company or not in public domain, in relation to the Demerged Undertaking, and pertaining to the period prior to the Appointed Date, the Demerged Company and the Resulting Company shall take all such necessary steps in the proceedings before the Appropriate Authority to replace the Resulting Company with the Demerged Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Resulting Company and the Demerged Company shall jointly defend the same or deal with such Claim in good faith at the cost and expenses of the Demerged Company and the latter shall fully indemnify and reimburse to the Resulting Company all costs, liabilities and obligations which are incurred by way of actual cash outflow by the Resulting Company in respect thereof. In the event the Resulting Company makes any interim payments, deposits, advance payments or issuance of security/bank guarantees, whether interim or otherwise in respect of such Claim ("Interim Payment"), the Demerged Company shall indemnify and reimburse the Resulting Company towards such Interim Payment. Provided that the Resulting Company shall forthwith refund the entire amount paid by the Demerged Company in this regard in the event the Resulting Company receives refund of such Interim Payment from the Appropriate Authority.

- 6.6 Notwithstanding anything contained to the contrary in this Scheme, the Demerged Company shall not be liable in any manner in respect of: (i) any contractual liabilities or claims or litigation proceedings arising from the same after the expiry of 3 (Three) years from the Appointed Date and; (ii) any statutory or tax related liabilities, claims or legal proceedings arising after the expiry of 7 (Seven) years from the Appointed Date.

7. CONTRACTS, DEEDS AND OTHER INSTRUMENTS

- 7.1 Notwithstanding anything to the contrary contained in the contract, deed, bond, agreement or any other instrument, but subject to the other provisions of this Scheme, all contracts (including customer and vendor contracts), deeds, bonds, agreements, memorandum of undertakings, memorandum of agreements, memorandum of agreed points, arrangements,

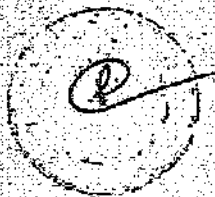


undertakings, deed, bonds and other instruments of whatsoever nature and subsisting or having effect, whether written or otherwise pertaining to the Demerged Undertaking of the Demerged Company, to which the Demerged Company is a party or to, *inter-alia*, the commercial benefits of which the Demerged Company may be eligible and which are subsisting or having effect immediately before the Appointed Date, shall be in full force and effect against or in favour of the Resulting Company, as the case may be, and may be enforced as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party or beneficiary thereto. The Resulting Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreements, arrangements, confirmations or writings to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the provisions of this clause, if so required or becomes necessary

- 7.2 The Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions thereof, if so required, under any law or otherwise, shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any multipartite agreement, confirmations or writings to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if it is so required or if it becomes necessary. The Resulting Company shall, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

8. STAFF, WORKMEN & EMPLOYEES

- 8.1 All the employees of the Demerged Undertaking (including the Identified Employees) who are in service on the date immediately preceding the Effective Date shall, on and from the Effective Date become and be engaged as the employees of the Resulting Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favorable than those on which they are engaged by the Demerged Company immediately preceding the Effective Date. For the purposes of all retirement



benefits and all other entitlements for which the employees of the Demerged Undertaking may be eligible, their services shall be taken into account from the date of their respective appointment with the Demerged Company. The Resulting Company further agrees that for the purpose of payment of any retrenchment compensation, if any, such past services with the Demerged Company shall also be taken into account. The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Demerged Company.

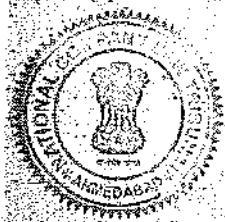
- 8.2 In so far as the Employee Benefit Funds created for the employees of the Demerged Undertaking by the Demerged Company are concerned, or in respect of which the Demerged Company makes contributions for the such employees of the Demerged Undertaking, upon the Scheme becoming effective, the Resulting Company shall stand substituted for the Demerged Company in respect of such employees so transferred for all purposes whatsoever relating to the administration or operation of such Employee Benefit Funds or trusts or in relation to the obligation to make contribution in accordance with the provisions of such Employee Benefit Funds or trusts as provided in the respective deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Demerged Company in relation the employees of the Demerged Undertaking in respect of such Employee Benefit Funds or trusts shall become those of the Resulting Company. The trustees including the Board of Directors of the Demerged Company and the Resulting Company or through any committee / person duly authorized by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised, provided however that there shall be no discontinuation or breakage in the services of the employees of the Demerged Undertaking of the Demerged Company.
- 8.3 Any disciplinary action initiated by the Demerged Company against any of the employees of the Demerged Undertaking shall have full force, effect and continuity as if it has been initiated by the Resulting Company instead of the Demerged Company.



- 8.4 With effect from the first of the date of filing of this Scheme with Tribunal and up to and including the Effective Date, the Demerged Company shall not vary or modify the terms and conditions of employment of any of its employees engaged in or in relation to the Demerged Undertaking of the Demerged Company, except with written consent of the Resulting Company.

9. TAXES

- 9.1 Upon coming into effect of this Scheme and with effect from the Appointed Date, all tax payable by the Demerged Company in relation to the Demerged Undertaking under Income-tax Act 1961, Customs Act, 1962, Goods and Services tax or other applicable laws/regulations dealing with taxes/duties/levies (hereinafter referred to as "Tax laws") shall be to the account of the Resulting Company.
- 9.2 Upon the Scheme becoming effective, all taxes (including tax deduction at source, advance tax payments), cess, duties and liabilities (direct and indirect), paid or payable by the Demerged Company for the period falling after the Appointed Date in relation to the Demerged Undertaking, shall, for all purposes, be treated as taxes, cess, duties and liabilities, as the case may be, paid by the Resulting Company.
- 9.3 Upon the Scheme becoming effective, notwithstanding anything to the contrary contained in the provisions of this Scheme, unabsorbed tax depreciation, carry forward tax losses, minimum alternate tax credit, if any, as on the Appointed Date of the Demerged Company in relation to the Demerged Undertaking, shall for all purposes, be treated as of the Resulting Company.
- 9.4 In relation to the Demerged Undertaking, the Demerged Company and the Resulting Company shall be entitled to, amongst others, file or revise its financial statements and income-tax returns, TDS/TCS returns, wealth-tax returns, service tax, excise duty, sales tax, value added tax, entry tax, cess, professional tax or any other statutory returns, if

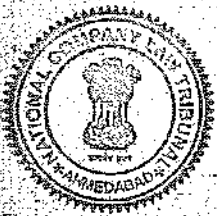


required, credit for advance tax paid, tax deducted at source, claim for sum prescribed under section 43B of the Income tax Act 1961 on payment basis, claim for deduction of provisions written back by Resulting Company previously disallowed in the hands of the Demerged Company under the Income-tax Act 1961, credit of tax under section 115JB read with section 115JAA of the Income-tax Act 1961, credit of foreign taxes paid/withheld, if any, for the period starting with the Appointed Date, pertaining to Demerged Company as may be required consequent to implementation of the Scheme and where necessary to give effect to the Scheme, even if the prescribed time limit for filing or revising such returns have lapsed without incurring any liability on account of interest, penalty or any other sum. The Resulting Company shall have the right to claim refunds, tax credits, set offs and/or adjustments relating to the income or transactions entered by them by virtue of the Scheme with effect from the Appointed Date.

- 9.5 All Tax assessment proceedings and appeals of whatsoever nature by or against the Demerged Company in relation to the Demerged Undertaking before the Appointed Date shall be on account of the Demerged Company and in so far as it relates to a period after the Appointed Date, it shall be continued and/or enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company and shall be dealt with in a similar manner as has been prescribed in Clause 6.5 above. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the demerger of the Demerged Undertaking into the Resulting Company or anything contained in this Scheme;

If the Resulting Company is in receipt of any incentives, refunds, credits, benefits or likewise, in relation to the Demerged Undertaking, and pertaining to the period prior to the Appointed Date, the Resulting Company shall take all steps to pass on such incentives, refunds, credits, benefits etc to the Demerged Company.

- 9.6 Without prejudice to the generality of the above, all benefits, incentives, claims, losses, credits (including service Tax, excise duty, goods and applicable state value added Tax) to



which the Demerged Company is entitled to in relation to the Demerged Undertaking in terms of the applicable Tax laws, shall be available to and vest in the Resulting Company from the Effective Date.

- 9.7 All the expenses incurred by the Demerged Company and the Resulting Company in relation to the demerger of the Demerged Undertaking of the Demerged Company into the Resulting Company in accordance with this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Resulting Company in accordance with section 35DD of the Income-tax Act, 1961 over a period of five (5) years beginning with the financial year in which this Scheme becomes effective.

10. INTER-SE TRANSACTIONS

With effect from the Effective Date, all *inter-se* contracts solely between the Demerged Company and the Resulting Company in relation to the Demerged Undertaking, if any, shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Resulting Company.

11. CONSIDERATION

- 11.1 Upon the Scheme becoming effective and upon the demerger of the Demerged Undertaking of the Demerged Company with the Resulting Company in terms of this Scheme, the Resulting Company shall, subject to regulatory approval, if any, issue and allot shares to the eligible shareholders of the Demerged Company whose name appears in the register of members of the Demerged Company as on the Record Date as may be stipulated by the Board of Directors of the Demerged Company or to such of their heirs, executors, administrators or as the case may be, successors and who produce details of their account with a depository participant to the Resulting Company within 15 days from the Record Date, in the following proportion:

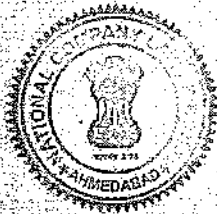
"81 (Eighty One) 6% CRPS of the Resulting Company of Rs. 10 (Rupees Ten Only) each



fully paid up, which will be redeemable subject to the terms specified in Annexure to the Scheme shall be issued and allotted for every 100 (One Hundred) equity share of the Demerged Company of the face value of Rs. 10/- (Rupees Ten Only) each fully paid"

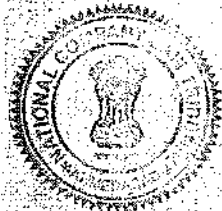
- 11.2 In case if the eligible shareholders cannot be allotted CRPS due to any regulatory constraints, then the Resulting Company shall, subject to applicable regulations, pay cash equivalent to the face value of the CRPS proposed to be issued to such shareholder as per Clause 11.1 above (after deducting such taxes as may be applicable). For this purpose, if considered necessary, the Resulting Company shall allot the CRPS to the trustee (to be appointed by the Board of Directors of the Resulting Company), which shall take steps to sell / transfer the same and make payment to the shareholders (after deducting such taxes as may be applicable).
- 11.3 If any shareholder of the Demerged Company becomes entitled to any fractional shares, entitlements or credit on the issue and allotment of shares by the Resulting Company in accordance with this Scheme, the Board of the Resulting Company shall consolidate all such fractional entitlements and shall, without any further application, act, instrument or deed, issue and allot such consolidated shares directly to an individual trust or a board of trustees or a corporate trustee or a SEBI registered merchant banker nominated by the Resulting Company (the "Trustee"), who shall hold such shares with all additions or accretions thereto in trust for the benefit of the respective shareholders, to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such shares to any buyer(s) at such price or prices and on such time or times within 60 (sixty) days from the date of allotment, as the Trustee may in its sole discretion decide and on such sale, pay to the Resulting Company, the net sale proceeds (after deduction of applicable taxes and costs incurred) thereof and any additions and accretions, whereupon the Resulting Company shall, subject to withholding tax, if any, distribute such sale proceeds to the concerned shareholders of the Demerged Company in proportion to their respective fractional entitlements.

- 11.4 In the event of any increase in the issued, subscribed or paid up share capital of the



Demerged Company or issuance of any instruments convertible into equity shares or restructuring of their respective equity share capital including by way of share split/ consolidation/ issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to the share capital of the Demerged Company at any time before the Record Date, the share exchange ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.

- 11.5 The Resulting Company shall take necessary steps to increase or alter or re-classify, if necessary, its authorized share capital suitably to enable it to issue and allot the shares required to be issued and allotted by it under this Scheme.
- 11.6 The shares to be issued and allotted as above shall be subject to and in accordance with the Memorandum and Articles of Association of the Resulting Company.
- 11.7 The shares issued and allotted by the Resulting Company in terms of this Scheme shall rank *pari-passu* in all respects with the same class of existing shares of the Resulting Company.
- 11.8 The approval of this Scheme by the shareholders of the Resulting Company shall be deemed to be due compliance of the relevant provisions of Act and all the other relevant and applicable provisions of the Act for the issue and allotment of shares by the Resulting Company to the shareholders of the Resulting Company, as provided in this Scheme.
- 11.9 The shares of the Resulting Company that are to be issued in terms of this Scheme shall be mandatorily issued in dematerialised form only. The eligible shareholders of the Demerged Company shall provide such confirmation, information and details as may be required including details of their account with a depository participant to the Resulting Company to enable it to issue the aforementioned shares.



- 11.10 The shares to be issued by the Resulting Company as per Clause 11.1 above, in respect of the shares of the Demerged Company, the allotment or transfer of which is held in abeyance under Applicable Law shall, pending allotment or settlement of dispute by order of the appropriate court or otherwise, also be kept in abeyance in like manner by the Resulting Company.

12. ACCOUNTING TREATMENT

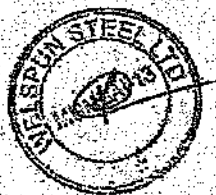
12.1 In the books of Demerged Company

12.1.1 The Demerged Company shall reduce the carrying values of all the assets and liabilities pertaining to the Demerged Undertaking as on the Appointed Date from its books of accounts.

12.1.2 The difference between the carrying values of the assets and the carrying values of the liabilities pertaining to the Demerged Undertaking shall be debited to Capital Reserve as appearing in the books of the Demerged Company.

12.2 In the books of Resulting Company

Notwithstanding anything to the contrary contained herein, the Resulting Company shall give effect to the scheme of arrangement in its books of accounts in accordance with Appendix C of Indian Accounting Standard 103, Business Combinations and other accounting principles prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Companies Act, 2013 and on the date determined in accordance with Ind AS. It is clarified that the separate financial statements of the Resulting Company shall be restated (including comparative period presented in the financial statements) from the beginning of the preceding period in the financial statements as required by Appendix C of Ind AS 103.



13. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

13.1 With effect from the Appointed Date and up to and including the Effective Date:

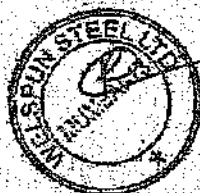
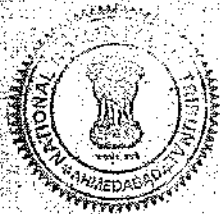
13.1.1 The Demerged Company shall carry on and shall be deemed to have carried on its business and activities in relation to the Demerged Undertaking and shall stand possessed of its entire business and undertakings in relation to the Demerged Undertaking, in trust for the Resulting Company. The Demerged Company hereby undertakes to hold the said assets with utmost prudence until the Effective Date.

13.1.2 All the income or profits accruing or arising to the Demerged Company in relation to the Demerged Undertaking and all costs, charges, expenses or losses incurred by the Demerged Company in relation to the Demerged Undertaking shall, for all purposes, be treated the income, profits, costs, charges, expenses and losses as the case may be of the Resulting Company.

13.1.3 The Demerged Company shall not utilize the profits or income, if any, relating to the Demerged Undertaking for the purpose of declaring or paying any dividend or for any other purpose in respect of the period falling on and after the Appointed Date, without the prior written consent of the Board of Directors of the Resulting Company, unless the same is in lines with the business requirements of the Demerged Undertaking.

13.1.4 The Demerged Company shall not without the prior written consent of the Board of Directors of the Resulting Company or pursuant to any pre-existing obligation, sell, transfer or otherwise alienate, charge, mortgage or encumber or otherwise deal with or dispose of the undertaking relating to Demerged Undertaking or any part thereof except in the ordinary course of its business.

13.1.5 The Demerged Company shall carry on its business and activities in relation to the Demerged Undertaking with reasonable diligence and business prudence in the



ordinary course consistent with past practice in good faith and in accordance with Applicable Law.

13.1.6 The Demerged Company shall not vary the terms and conditions of employment of any of the employees in relation to the Demerged Undertaking except in the ordinary course of business or without the prior consent of the Resulting Company or pursuant to any pre-existing obligation undertaken by the Demerged Company as the case may be, prior to the Appointed Date.

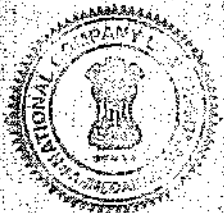
13.1.7 The Demerged Company shall not enter into any contract, deed, bond, agreement or any other instrument in relation to the Demerged Undertaking, which is not in lines with business requirements of the Demerged Undertaking without consulting the Resulting Company.

13.2 The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions in relation to the Demerged Undertaking, which the Resulting Company may require pursuant to this Scheme in relation to the Demerged Undertaking.

14. RESIDUAL UNDERTAKING

14.1 The Residual Undertaking and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by the Demerged Company.

14.2 All legal, taxation or other proceedings by or against the Demerged Company under any statute, whether pending on the Appointed Date or which may be instituted in future, whether or not in respect of any matter arising before the Effective Date, and relating to the Residual Undertaking (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Residual Undertaking) shall be continued and enforced by or against the Demerged Company (or successor thereof). The Resulting Company shall in no event be responsible or liable in relation to



any such legal, taxation or other proceeding against the Demerged Company (or successor thereof).

15. SAVING OF CONCLUDED TRANSACTIONS

The transfer of properties and liabilities under Clause 5 above and the continuance of proceedings by or against the Demerged Company in relation to the Demerged Undertaking under Clause 6 above and effectiveness of contracts and deeds under Clause 7 shall not affect any transaction or proceedings in relation to the Demerged Undertaking already concluded by the Demerged Company on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in relation to the Demerged Undertaking in respect thereto as done and executed on behalf of the Resulting Company.

16. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme, the limits of the Resulting Company in terms of Section 180(1)(c) and Section 185(2) of the Act shall be deemed, without any further act or deed, to have been enhanced by the aggregate limits of the Demerged Company pursuant to the Scheme with effect from the Appointed Date.

17. PROFITS AND DIVIDENDS

17.1 The Demerged Company and the Resulting Company shall be entitled to declare and pay dividends, to their respective shareholders in respect of the accounting period ending on March 31, 2021 consistent with the past practice or in ordinary course of business, whether interim or final.

17.2 It is clarified that the aforesaid provisions in respect of declaration of dividends (whether interim or final) are enabling provisions only and shall not be deemed to confer any right



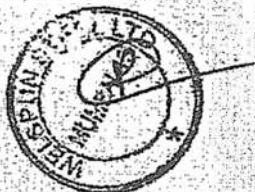
on any shareholder of the Demerged Company and the Resulting Company to demand or claim or be entitled to any dividends which, subject to the provisions of the said Act, shall be entirely at the discretion of the respective Boards of the Demerged Company and the Resulting Company as the case may be, and subject to approval, if required, of the shareholders of the Demerged Company and the Resulting Company as the case may be.

18. INCREASE IN THE AUTHORIZED SHARE CAPITAL OF THE RESULTING COMPANY

18.1 With effect from the Appointed Date and upon the Scheme becoming effective, the authorized share capital of the Resulting Company as detailed in Clause 4.2 of this Scheme shall be increased from the present authorised share capital of Rs. 250,05,00,000 (Rupees Two Hundred Fifty Crore Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 9,80,00,000 (Nine Crore Eighty Lakh) Preference shares of Rs. 10 (Rupees Ten only) each to Rs. 5,520,500,000 (Rupees Five Hundred Fifty Two Crores Five Lakh Only), divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 400,000,000 (Forty Crore) Preference shares of Rs. 10 (Rupees Ten only) each, without any liability for payment of any additional fees (including fees and charges to the relevant Registrar of Companies) or stamp duty.

18.2 Consequently, Clause V of the Memorandum of Association of the Resulting Company shall without any act, instrument or deed be and stand altered, modified and substituted pursuant to Section 13 of the Act and Section 230-232 and other applicable provisions of the Act, as set out below:

"The Authorized Share Capital of the Company is Rs.5,520,500,000/- (Rupees Five Hundred Fifty Two Crores Five Lakh Only) divided into 30,41,00,000 (Thirty Crores Forty One Lakh) equity shares of Rs. 5 (Rupees Five Only) each and 400,000,000 (Forty Crore) Preference shares of Rs.10 (Rupees Ten only) each."



- 13.3 The Resulting Company shall file requisite returns with the jurisdictional Registrar of Companies in relation to such increase in the authorized capital. It is clarified that the approval of the shareholders of the Resulting Company to the Scheme shall be deemed to be their consent / approval to such increase in the authorized capital of the Resulting Company under the Act and also to the consequential alteration of the Memorandum and Articles of Association of the Resulting Company and the Resulting Company shall not be required to seek separate consent / approval of its shareholders for such increase in the authorized capital of the Resulting Company and such alteration of the Memorandum and Articles of Association of the Resulting Company as required under the Act.

PART C

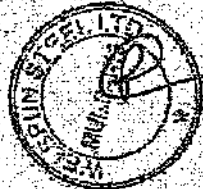
GENERAL TERMS AND CONDITIONS

19. APPLICATION TO NCLT

The Demerged Company and the Resulting Company shall make Applications / Petitions under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act to NCLT for sanction of this Scheme under the provisions of the Act.

20. MODIFICATION OR AMENDMENTS TO THE SCHEME

The Demerged Company and the Resulting Company with approval of their respective Board of Directors may consent, from time to time, on behalf of all persons concerned, to any modifications / amendments or additions / deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the said Board of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds, matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that NCLT or any other authorities under law may deem fit to approve of, to direct and / or impose. The aforesaid powers of the Demerged Company and the Resulting Company to give effect to the



modification / amendments to the Scheme may be exercised by their respective Board of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of NCLT or any other authorities under the applicable law.

21. CONDITIONALITY OF THE SCHEME

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

- i. The requisite sanctions and approvals of all government, statutory, regulatory, judicial or other authority as may be necessary, and any consents, no-objection confirmations or approvals of the Stock Exchange, in respect of the Scheme being obtained;
- ii. Approval of the Scheme by the requisite majority in number and value of such class of persons including the respective members and/or creditors of the Demerged Company and the Resulting Company as required under the Act and as may be directed by NCLT;
- iii. Approval of the shareholders of the Demerged Company and the Resulting Company through e-voting and/ or postal ballot and/or physical meeting and/ or any other mode as may be required under any Applicable Law. The Scheme shall be acted upon only if the votes cast by the public shareholders in favour of the Scheme are more than the number of votes cast by the public shareholders of the Resulting Company, against it as required under the SEBI Scheme Circular. The term 'public' shall carry the same meaning as defined under Rule 2 of Securities Contracts (Regulation) Rules, 1957; and
- iv. The sanction to the Scheme by NCLT under Sections 230 to 232 of the Act.



22. EFFECT OF NON-RECEIPT OF APPROVALS AND MATTERS RELATING TO REVOCATION / WITHDRAWAL OF THE SCHEME

22.1 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/ or the Scheme not being sanctioned by NCLT or such other competent authority and / or the Order not being passed as aforesaid within such period or periods as may be agreed upon between the Demerged Company and the Resulting Company by their Boards of Directors (and which the Boards of Directors of the Companies are hereby empowered and authorized to agree to and extend the Scheme from time to time without any limitation) this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

22.2 In the event of revocation/withdrawal under Clause 22.1 above, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Demerged Company and the Resulting Company or their respective shareholders or creditors or employees or any other person 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 in accordance with the Applicable Law and in such case, the Demerged Company and the Resulting Company shall bear its own costs, unless otherwise mutually agreed.

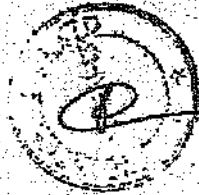
23. COSTS, CHARGES & EXPENSES

Stamp duty and similar transfer duties payable in respect of this Scheme shall be borne by the Resulting Company. All other costs, charges and expenses of the Demerged Company and the Resulting Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.



Terms and Conditions of Cumulative Redeemable Preference Shares

Issuer	Welspun Corp Limited
Instrument	Cumulative Redeemable Preference Shares which shall be unlisted
Face value	Rs. 10
Coupon Rate	6% p.a.
Redemption	Redeemable, at face value, at the option of the holder upon the expiry of 18 months from the date of issue



List of Assets of Welspun Steel Limited (the Demerged Company) as on the appointed date i.e. April 1, 2021 to be transferred and vested to Welspun Corp Limited pursuant to the Scheme sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

PART I

Free hold properties of the Demerged Company

Sr. No.	Survey No.	Area in Sq. Mtrs.	Description
1	649/P1,649/P2	72945	Land at Village Versamedi, Anjar, Gujarat, 370110
2	653 & 655	143061	Land at Village Versamedi, Anjar, Gujarat, 370110
3	652P, 650	49270	Land at Village Versamedi, Anjar, Gujarat, 370110
4	654/P1	58073	Land at Village Versamedi, Anjar, Gujarat, 370110

PART II

Lease hold properties of the Demerged Company

Sr. No.	Name of the Owner of the Property	Address of Property
1	Welspun Corp Ltd	S. No 645/1, Vill Varsamedi Ta. Anjar - Gujarat 370110
2	Welspun Anjar SEZ Ltd	S. No. 645/1, Vill Varsamedi Ta. Anjar - Gujarat 370110

PART III

Other stocks, shares, debentures, any other charges in action of the Demerged Company

Sr. No.	Particulars	No of Share/units	Face Value/ per share/units (INR)	Face Value (INR)
1	Welspun Captive Power Generation Limited	872,193	10	87,21,930
2	Welspun Specialty Solutions Ltd.	26,51,90,034	6	1,59,11,40,204

Part IV

Other Assets

Sr. No.	Particulars	INR
1	Buildings	60,24,72,929
2	Roads	1,07,22,213
3	Plant and equipment	1,45,23,33,975
4	Furniture and fixtures	7,02,370
5	Vehicles	26,64,255

Welspun Steel Limited

World, 'B' Wing, 9th Floor, Kamata City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 India

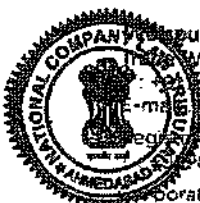
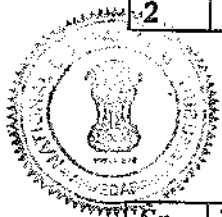
Tel: +91 22 6613 6000 / 2490 8000 F: +91 22 2490 8020

E-mail: companysecretary_wsp@welspun.com Website: www.welspunsteel.com

Registered Office: Survey No. 650, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370 110 India

Tel: +91 2636 279051-56 F: +91 2636 279050

Corporate Identity Number: U27109GJ2004PLC044249



6	Office equipment	19,51,640
7	Capital work in progress	20,16,770
8	Intangible assets	1,63,805
9	Non current Financial Assets - Other financial assets	16,56,231
10	Other Non current assets	2,50,49,168
11	Inventories	1,19,44,82,644
12	Current Financial Assets - Trade receivables	10,38,70,692
13	Current Financial Assets - Cash & Cash equivalent	14,60,144
14	Current Financial Assets - Bank balance other than above	17,73,39,896
15	Current Financial Assets - Other financial Assets	72,28,680
16	Other current assets	31,07,81,564
17	National Saving Certificates	60,000
	Total	389,49,56,976

For Welspun Steel Limited

Rajesh R. Mandawewala

Rajesh R. Mandawewala
Director
DIN: 00007179



Prepared by Vinod
Signature lu
Date 22.3.22

Certified to be True Copy of the Original

Raj Vaibha

Assistant Registrar
NCLT, Ahmedabad Bench
Ahmedabad

21/03/22

Date of promouncement of Order: 16.3.22
Date on which application for Certified Copy was made: 17.3.22
Date on which Certified Copy was ready: 22.3.22
Date on which Certified Copy delivered: 23.3.22

Welspun Steel Limited

Trade World, B' Wing, 9th Floor, Kamala City, Senapati Bapat Marg, Lower Panel (West), Mumbai 400 013 India
T: +91 22 6613 8000 / 2490 8000 F: +91 22 2490 8020
E-mail: companysecretary_wsl@welspun.com Website: www.welspunsteel.com

Registered Office: Survey No. 550, Village Versamedi, Taluka Anjar District Kutch, Gujarat 370 110, India
T: +91 2836 279051-56 F: +91 2836 279050

Corporate Identity Number: U27109GJ3004P_C044846

323
31-10-2023

IN THE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD
SPECIAL BENCH
COURT - 2

ITEM No.301
CP(CAA)/35(AHM)2023
in
CA(CAA)/30(AHM)2023

Order under Sections 230-232 of
Co. Act, 2013

In the matter of:

Welspun Metalics Limited (Transferor Co.)
Welspun Corp Limited (Transferee Co.)

.....Applicants

Order delivered on 27/10/2023

Coram:

Mr. Shammi Khan, Hon'ble Member(J)

Dr. Velamur G Venkata Chalapathy, Hon'ble Member(T)

ORDER

The case is fixed for pronouncement of order. The order is pronounced in open Court, vide separate sheet.

-Sd-

DR. V. G. VENKATA CHALAPATHY
MEMBER (TECHNICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)



**IN THE NATIONAL COMPANY LAW TRIBUNAL
AHMEDABAD
SPECIAL BENCH
COURT-2**

**CP(CAA)/35(AHM)2023 in
CA(CAA)/30(AHM)2023**

[Application under Sections 230-232 and other applicable provisions of the Companies Act, 2013 and Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016]

In the matter of Scheme of Amalgamation

of

Welspun Metallics Limited

(Petitioner Company No.1/ Transferor Company)

With

Welspun Corp Limited

(Petitioner Company No.2/ Transferee Company)

And

Their respective shareholder

In the matter of:

Welspun Metallics Limited

(CIN: U27100GJ2020PLC115168)

Registered address at Survey No.

650, Welspun City, Village

Versamedi, Taluka Anjar, Dist. Petitioner Company

Kutch, Gujarat – 370110

No.1/ Transferor Company

AND



Welspun Corp Limited

(CIN: L27100GJ1995PLC025609)

Registered address at Welspun
City, Village Versamedi, Taluka
Anjar, Dist. Kutch, Gujarat -
370110

... Petitioner Company
No.2/Transferee Company

Order pronounced on 27.10.2023

CORAM:

SHAMMI KHAN

HON'BLE MEMBER (JUDICIAL)

DR. VELAMUR G VENKATA CHALAPATHY

HON'BLE MEMBER (TECHNICAL)

Appearance:

For the Petitioners Co.: Mr. Saurabh Soparkar Sr. Adv.
along with Ms. Dharmishta N. Raval, Adv.

ORDER

1. The present joint Company Petition is filed by the Petitioner Companies under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, seeking approval to the Scheme of Amalgamation of Welspun Metallics Limited ('the Transferor Company') with Welspun Corp Limited ('the Transferee Company') and their respective shareholders ('Scheme') with effect from 01.04.2022 being the Appointed Date as mentioned in the Scheme.
2. Affidavit in support of the above joint petition has been sworn by Mr. Akhil Pillai on behalf of Petitioner Companies, being



authorised representative of the Petitioner Companies, duly authorised vide Board Resolution dated 14.03.2023 passed by the Board of Directors of the respective Petitioner Companies.

3. The Petitioner Companies had filed a joint Company Application before this Tribunal being CA(CAA)30/AHM/2023; sought dispensation from convening the meetings of Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Companies. This Tribunal vide order dated 22.06.2023 had dispensed with the meetings of the Equity Shareholders, Preference Shareholders, Secured Creditors and Unsecured Creditors of the Petitioner Companies. This Tribunal also directed issuance of notices of the Scheme in compliance with Section 230(5) of the Companies Act, 2013 in the Form 'CAA-3' along with disclosures mentioned under Rule 6 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 to (i) the Central Government through the Regional Director, North-Western Region (ii) the Registrar of Companies, Gujarat (iii) the Income Tax Department along with full details of the assessing officer and PAN numbers with a copy also to the Principal Chief Commissioner of Income Tax Office (iv) the Official Liquidator (v) BSE Limited (vi) National Stock Exchange of India Limited and (vii) Securities and Exchange Board of India stating that representations, if any, to be made within a period of 30 days from the date of receipt of such notice, and in case no representation is received by this Tribunal within the stipulated period of 30 days, it should be presumed that the authorities have no representation to make.



4. In compliance of the directions contained in the order dated 22.06.2023 passed by this Tribunal in CA(CAA)30(AHM)2023, the Petitioner Companies sent notices to the Central Government through the Regional Director, North-Western Region, the Registrar of Companies, Gujarat, the Income Tax Department along with full details of the assessing officer and PAN numbers with a copy also to the Principal Chief Commissioner of Income Tax Office, the Official Liquidator, BSE Limited, National Stock Exchange of India Limited and Securities and Exchange Board of India. The Petitioner Companies filed affidavit regarding service of notice dated 10.07.2023.
5. The Petitioner Companies had jointly filed the present petition being CP(CAA)35(AHM)2023 before this Tribunal seeking sanction of the proposed Scheme. This Petition was e-filed on 10.07.2023 and physical copy thereof was filed on 11.07.2023. This Tribunal, by order dated 04.08.2023 admitted the aforesaid petition and directed for publication of hearing in "Financial Express" Ahmedabad Edition and Gujarati translation thereof in "Kutch Mitra" Ahmedabad Edition not less than 10 days before the date fixed for hearing, calling for objections, if any, on or before the date of hearing. This Tribunal also directed to issue a notice of hearing of the petition to (i) Regional Director (ii) Registrar of Companies (iii) the Official Liquidator (iv) The Income Tax Department at respective wards with details of PAN of all Petitioner Companies and also to office of Principal Chief Commissioner of Income Tax.



6. Pursuant to the directions contained in the order dated 04.08.2023 passed by the Tribunal, the Petitioner Companies published the notice of hearing of the petition in "Financial Express" Ahmedabad Edition and Gujarati translation thereof in "Kutch Mitra" Ahmedabad Edition. The notice in respect of hearing of the Company Petition was served upon all concerned statutory authorities. Affidavit dated 01.09.2023 to that effect is also filed by the Petitioner Companies on this Tribunal.
7. The Petitioner Transferor Company has stated that there is no inspection or investigation has been instituted or is pending against any of the petitioner companies under the provisions of the Companies Act, 2013.
8. The Petitioner Transferee Company has stated that the Regional Director, North-West Region, Ministry of Corporate Affairs has conducted a search on the Petitioner Transferee Company under Section 206(5) of the Companies Act, 2013 and had issued a show-cause notice for alleged non-compliances under various provisions of the Companies Act, 2013. The Petitioner Transferee Company had submitted its response to the aforesaid show-cause notice. Further the proceeding in the matter is pending as on the date. Except for the above, no investigation or proceedings under the Companies Act, 1956 / Companies Act, 2013 have been instituted or are pending in relation to the Petitioner Transferee Company.



9. In response to the notice served upon to the Regional Director ('RD') and the Registrar of Companies ('RoC'), a representation dated 16.10.2023 was filed by the RD, along with the report dated 17.07.2023 of the RoC.

10. Following are the observations of the RD and the RoC:-

- i). To direct the Petitioner Companies to place on record all the relevant facts of the matter for compliance of section 232(3)(i) of the Companies Act, 2013.
- ii). The Petitioner Transferee Company to undertake to comply with SEBI/OD Regulation being listed company.
- iii). That the ministry of Corporate Affairs has ordered the Inspection against applicant transferee company Welspun Corp Limited under Section 206(5) of the Companies Act, 2013 vide order No. 3/217/2020/DGCoA-Part-1 dated 11.05.2022 based on the letter F. NO. CEIB/CS-6(4)/IT/MUMBAI-ISP/2018-19 dated 28.09.2020 received from **Central Economic Intelligence Bureau (CEIB)**, Department of Revenue, New Delhi regarding information received under ISP from DGIT (Inv.) Mumbai and dissemination by CEIB wherein it is mentioned as under:

"2. Welspun Group/Dt.of search:-30.06.2017

Welspun Corporation Ltd. (AAACW0744L), Welspun India Ltd (AAACW1259M), Welspun Pipes Ltd. (AAACW7157M), Welspun Steel Ltd. (AAACW5308G),



Welspun Energy Pvt. Ltd. (AAACW6515B), Welspun Enterprises Ltd. (AABCM4107C), Welspun Mercantile Ltd. (AAACW2876K), Krishiraj Trading Ltd. (AAACK2257N) etc.

The assessee group is in the business of manufacturing and trade of steel pipes, home textiles, infrastructure and energy. Shri Balakrishan Goenka [PAN: AEOPG4891D] is Founder and Promoter of the Group and other key persons of the Group are Shri Lalchand T Hotwani [PAN: AAAPH2210D] & Vineet Mittal [PAN: AFHPM8584R] search action revealed introduction of bogus share capital through shell entities in Welspun Energy Group companies to the tune of Rs. 234.85 Crores, Siphoning out of profits through non-genuine professional payments i.e. payments against which no services were received in cases of Welspun Global Brands Pvt. Ltd. (Rs. 40.53 Lacs), Welspun Corp Limited (Rs. 20 Crores), Welspun Pipes Ltd (Rs. 66 lakhs) and Welspun India Ltd. (Rs. 15 Lakhs) & Introduction of bogus unsecured loans in cases of Welspun Mercantile Ltd. (Rs. 6.3 Crores), Krishiraj Trading Ltd. (Rs. 4.10 Crores) booking of bogus capital gains in the cases of Krishiraj Trading Ltd. (Rs. 10.49 Crores), Welspun Mercantile Ltd. (Rs. 9.94 Crores) Vineet R. Mittal (Rs.13 Crores) Sindoor V. Mittal (Rs. 16 Crores), Santosh V. Mittal (Rs. 3.80 Crores) and Sandeep (Rs. 5.43 Crores) etc.”



- iv). In compliance of the directions of the Ministry an inspection in the matter has been carried out by this Directorate (RD) and the Inspection Report has already been sent to the Ministry (MCA) for consideration further examination/direction. However, the Directors from the Ministry are yet to be received in the matter.
- v). The RD has desired the Adjudicating Authority, to direct the Petitioner Transferee Company Welspun Corp Limited to to place on record all the relevant facts of the matter and undertake to comply with the direction/order/notice, if any issued by Ministry of Corporate Affairs/Regional Director/RoC in the matter.
- vi). Further, AA to direct the Petitioner Companies to pay such amount of legal fees/cost to the Central Government which may be considered appropriate by this Tribunal. It also sought AA to give liberty to this Directorate for filing additional / final report, if any in the matter after receipt of the further inputs from the Ministry of Corporate Affairs / DGCoA.

11. Following are observations of RoC:-

- i). To direct the Petitioner Transferee Company to comply with the directive/Circular issued by SEBI from time to time.
- ii). To direct the Petitioner Companies to ensure statutory compliance of all applicable laws and also on sanctioning of



the present Scheme, the Petitioner Companies shall not be absolved from any of its Statutory liabilities, in any manner ; and

- iii). Necessary stamp duty on transfer of property/assets, if any, is to be paid to the respective authorities before implementation of the Scheme.
- vi). To direct the Petitioner Companies to comply with the provisions of section 232(5) of the Companies Act, 2013 with respect to file certified copy of the order sanctioning the scheme with the Registrar of Companies within 30 days from the date of passing order.

11.1 In response to the observations of the RD and the RoC, the Petitioner Companies have filed an joint affidavit dated 17.10.2023 giving their responses to the observations as under:-

Response in observations of RD:-

- i). It is submitted that the Scheme does not provide for aggregation of the authorized share capital of the Petitioner Transferor Company with the Petitioner Transferee Company. However, the Petitioner Companies undertake to comply with the provisions of the section 232(3)(i) of the Companies Act, 2013 to the extent required and applicable.
- ii). It is submitted that the Petitioner Transferee Company has complied with and undertakes to comply with the relevant and applicable provisions of the laws and regulations



framed by Securities and Exchange Board India in connection with the Scheme.

iii). It is submitted by the applicant as under:

- a). The fact that there is an ongoing inspection against the Petitioner Transferee Company had been duly stated and specified
- b). (i) in the Company Scheme Application CA(CAA)/30(AHM)2023 filed with the Hon'ble Tribunal,
- c). (ii) in the order passed by the Hon'ble Tribunal in CA(CAA)/30(AHM)2023 on 22.06.2023; and
- d). (iii) to the Regional Director at the time of providing response on their questionnaire.
- e). It has further stated that the Petitioner Transferee Company will continue to remain in existence.
- f). To The best of the knowledge and belief, the sanctioning of the Scheme by this Tribunal Shall not in any way cause prejudice of any nature with respect to any of the said inspection and shall not abate as result of the Scheme.



- g). Pursuant to the Scheme, no waiver / immunity has been sought by the Petitioner Transferee Company with regards to the ongoing inspection.
- h). The Petitioner Transferor Company (proposed to be amalgamated) is not involved in the ongoing inspection.
- i). To the best of the knowledge and belief, the sanctioning of the scheme by this Tribunal shall not in any way cause prejudice of any nature with respect to any of the said inspection and shall not abate as a result of the Scheme.
- j). The Petitioner Transferee Company has co-operated and will continue to co-operate with the relevant regulatory authorities in connection with the ongoing inspection as required under the applicable laws.
- k). Presently no directions / order / notice has been received by the Petitioner Transferee Company from Ministry of Corporate Affairs / Regional Director / Registrar of Companies in connection the ongoing inspection. Further, the Petitioner Transferee Company undertakes to comply with the directions / order / notice, if any, issued by the Ministry of Corporate Affairs / Regional Director / Registrar of



Companies in connection with the ongoing inspection, subject to relief / remedies available to the Transferee Company in accordance with applicable provisions of the law.

l). It is submitted that the Petitioner Companies undertakes to pay such legal fees/cost to the Central Government as may be considered appropriate by this Tribunal.

m). It is submitted that:

In compliance with the provisions of section 230(5) of the Companies Act, 2013, notice was served upon the Regional Director on 28.06.2023 inviting for representation, if any, in connection with the proposed Scheme to be made within 30 days from the date of receipt of the notice, failing which it shall be presumed that the Regional Director has no representation on the Scheme. The order passed by the Hon'ble Tribunal in CA(CAA)/30(AHM)2023 on 22.06.2023 in paragraph 20 required the Regional Director to file the objections within 30 days from the date of receipt of the notice, failing which it shall be presumed that the Regional Director has no objection on the Scheme.



- i). The Petitioner Companies shall not be absolved from any of its statutory liabilities in any manner and comply with Section 232(5) of Companies Act, 2013.
- ii). The responses to the questionnaire of the Regional Director vide their letter dated 30.06.2023 was submitted by the Petitioner Companies on 21.07.2023.
- iii). The Petitioner Companies respectfully affirms and submits that there is no impact of the Scheme on the ongoing inspection on account of reasons specified above.

Response on the observations of the RoC:-

- i). It is submitted that the Petitioner Transferee Company has complied with and undertakes to comply with the applicable directive/circular issued by Securities and Exchange Board India from time to time in connection with the Scheme.
- ii). It is submitted that the Petitioner Companies undertakes to ensure statutory compliance of all applicable laws. Further the Petitioner Companies undertakes that on sanctioning of the Scheme, it shall not be absolved from any of its statutory liabilities, in any manner.
- iii). It is submitted that the Petitioner Companies undertakes to pay necessary legitimate stamp duty on transfer of



property/assets pursuant to the Scheme as and when they statutorily become due for payment.

- iv). It is submitted that the Petitioner Companies undertakes to comply with the provision of Section 232(5) of the Companies Act, 2013 with respect to filing of certified copy of order sanctioning the Scheme with the Registrar of Companies within 30 days from date of passing order.

12. In response to the notice to the Official Liquidator ('OL'), the OL has made a representation dated 05.09.2023 in respect to the Petitioner Transferor Company. There are no major objections to the scheme and negative observations on the transferor company. Following are the important observations of the OL in respect of the Petitioner Transferor Company:-

- i). To direct the Petitioner Transferor Company to preserve its books of accounts, papers and records and shall not dispose them without prior permission of the Central Government as per the provisions of the Section 239 of the Companies Act, 2013.
- ii). To direct the Petitioner Transferor Company to ensure statutory compliances of all applicable laws and also on sanctioning of the Scheme, the Petitioner Transferor



Company shall not be absolved from any of its statutory liabilities, in any manner.

- iii). The Petitioner Transferor Company may be dissolved without following the process of winding-up in terms of sub-section 3(d) of Section 232 of the Companies Act, 2013. Further the Petitioner Transferor Company being dissolved, the fee, if any, paid by the Petitioner Transferor Company on its Authorized Share Capital shall be set-off against any fees payable by the Petitioner Transferee Company on its Authorized Capital subsequent to the amalgamation in terms of sub-section (3)(i) of Section 232 of Companies Act, 2013.
- iv). To direct the Petitioner Companies to comply with the provisions of section 232(5) of the Companies Act, 2013 with respect to filing the certified order sanctioning the Scheme with Registrar of Companies within 30 days from the date of passing order.

13. The petitioner Companies have agreed to comply with the observations of OL vide affidavit dated 8 September 2023.

14. No objections/reply has been received from BSE, NSE and SEBI on the scheme proposed of the applicant companies on issue of notices.



15. On the basis of above facts and the affidavit submitted confirming to comply with the observations of the RD, ROC and OL and submissions by the Learned Senior Counsel and on perusal of the Scheme and the proceedings, it appears that the requirements of the provisions of section 230 and 232 is met subject to the compliance with any action based on inspection/ any other findings or observations u/s 232(3)(C) of the Companies Act, 2013. We are of the considered view that the proposed Scheme is bona fide and in the interest of the shareholders and creditors.
16. Accordingly, Company Petition CP(CAA)/35(AHM)2023 is allowed.
17. The Scheme envisages amalgamation of Welspun Metallics Limited ('the Transferor Company') with Welspun Corp Limited ('the Transferee Company') and their respective shareholders. It is declared that the said sanctioned Scheme shall be binding on the Petitioner Companies and their shareholders, creditors and all concerned under the Scheme.
18. Notwithstanding the above, if there is any deficiency found or, violation committed qua any enactment, statutory rule or regulation, the sanction granted by this Tribunal to the Scheme will not come in the way of action being taken, albeit, in accordance with law, against the concerned persons, directors and officials of the Petitioner Companies.



19. While approving the Scheme as above, we further clarify that this order should not be construed as an order in granting any exemption from payment of stamp duty, taxes including income tax, GST, etc. or any other charges, if any, and payment in accordance with law or in respect of any permission / compliance with any other requirement which may be specifically required under any law. It is further clarified that Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and sanction of the Scheme given hereunder shall not adversely affect the rights of Income Tax Department on any past, present or future proceedings.
20. While approving this scheme, the Tribunal makes it clear that no immunity is granted against any action of any regulatory authorities against either the transferee/transferor companies in either existing or any further proceedings initiated/to be initiated/pronounced for compliance.
21. The Adjudicating Authority has perused the objections of the RD in the matter which relates to the investigation on the transferee company initiated on the basis of findings of the Department of Revenue. Without prejudice to findings and action, if any, and observing that there are no orders or observations against the transferor company, and pursuing various legal decisions in the matter including Vodafone Vs Essar Steel Limited, the application by the petitioners is allowed.



22. It is also observed that there are no objections from the RD, ROC and OL on the transferor company as regards the scheme that is proposed.

23. This Tribunal orders as under:-

- i). The Scheme as annexed herewith as "**Annexure A**" is hereby sanctioned and it is declared that the same shall be binding on the Petitioner Companies and their shareholders and creditors and all concerned under the Scheme.
- ii). The Petitioner Companies are directed to comply with Section 232(3)(i) of the Companies, Act, 2013 and comply with direction from MCA on the investigation that has been instituted or is pending for further orders against transferee company or any of the petitioner companies under the provisions of the Companies Act, 2013.
- iii). The Transferee company/transferor will comply with the directions if any may be issued by BSE, NSE, SEBI, and any other regulatory authorities relating to any of the matters pertaining to the scheme or the functioning of these companies for which any investigation has been initiated or could be further initiated in terms of any of the provisions of Companies Act or any other law of the regulatory or supervisory agencies.



- iv). The transferee company is directed to comply with orders if any that would be passed by MCA /RD/RoC or any other authorities including the Department of Revenue on the Inspection ordered against the applicant under Section 206(5) of the Companies Act.
- v). It is declared that the Petitioner Transferor Company shall be dissolved without winding up, if applicable.
- vi). All the property annexed herewith as “**Annexure B**”, rights and powers of the Petitioner Transferor Company specified in the schedule hereto and all the other property, rights and powers of the Petitioner Transferor Company be transferred without further act or deed to the Petitioner Transferee Company and accordingly the same shall pursuant to Section 232 of the Act, be transferred to and vested in the Petitioner Transferee Company for all the estates and interest of the Petitioner Transferee Company therein.
- vii). All proceedings, if any, now pending against the Transferee/Transferor Companies be continued by or against the Transferee Company and action if any initiated in terms of Sec.240 of Companies Act, 2013.
- viii). No immunity is granted on any of the actions that could or be necessitated in view of any of the pending proceedings



initiated by any of the regulatory agencies mentioned in the order, or any other.

- ix). The Petitioner Companies within thirty days of the date of receipt of this order, cause a certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copy being so delivered, the entire undertaking of the Petitioner Transferor Company shall stand transferred to the Petitioner Transferee Company and the Registrar of Companies shall place all documents relating to the Petitioner Transferor Company to the file kept by him in relation to the Petitioner Transferee Company and the files relating to the Petitioner Transferor Company shall be treated accordingly.
- x). As the Petitioner Transferor Company is a wholly owned subsidiary of the Petitioner Transferee Company, no shares shall be issued to the shareholders of the Petitioner Transferor Company (i.e. to the Petitioner Transferee Company).
- xi). All concerned Authorities to act on copy of this order along with the Scheme authenticated by the Registrar of this Tribunal shall issue the certified copy of this order along with the Scheme.



- xii). The Petitioner Companies are directed to lodge a copy of this Order and the attached Scheme and Schedule of Assets with this order, duly authenticated by the Registrar of this Tribunal, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty, if any, within 60 days from the date of the Order.
- xiii). The Petitioner Companies are further directed to file a copy of this order along with the copy of the Scheme with the concerned the Registrar of Companies, electronically, along with e-form INC-28 in addition to physical copy within 30 days from the date of issuance of the certified copy of the Order by the Registry as per relevant provisions of the Companies Act, 2013.
- xiv). The legal fees and expenses of the office of the Regional Director is quantified at Rs.10,000/- in respect of each of the Petitioner Companies. The said fees to the Regional Director shall be paid by the Petitioner Transferee Company.
- xv). The legal fees and expenses of the office of the Official Liquidator are quantified at Rs.10,000/- in respect of the Petitioner Transferor Company. The said fees of the Official Liquidator shall be paid by the Petitioner Transferee Company.
- xvi). Income Tax Department will be free to examine the aspect of any tax payable as a result of the sanction of the Scheme and if it is found that the Scheme of Arrangement ultimately



results in tax avoidance or is not in accordance with the applicable provisions of Income Tax Act, then the Income Tax Dept. shall be at liberty to initiate appropriate course of action as per law. Any sanction of the Scheme of Arrangement under Sections 230-232 of the Companies Act, 2013 shall not adversely affect the rights of Income Tax Department or any past, present or future proceedings and the sanction of the scheme shall not come in its way for the appropriate course of action as per law for the tax liabilities, if any.

xvii). Any person aggrieved shall be at liberty to apply to the Tribunal in the above matter for any direction that may be necessary.

24. The Company Petition CP(CAA)/35(AHM)2023 connected with CA (CAA)/30(AHM)/2023 is disposed of, in terms of the above order.

-Sd-

Dr. V.G. VENKATA CHALAPATHY
MEMBER (TECHICAL)

-Sd-

SHAMMI KHAN
MEMBER (JUDICIAL)



Annexure A.
Part F

431

SCHEME OF AMALGAMATION
OF
WELSPUN METALLIC'S LIMITED
("THE TRANSFEROR COMPANY")
WITH
WELSPUN CORP LIMITED
("THE TRANSFEREE COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS

(A) PREAMBLE

1. The Scheme of Amalgamation ("Scheme") is presented under sections 230-232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Welspun Metallics Limited ("the Transferor Company") with Welspun Corp Limited ("the Transferee Company") with effect from the Appointed Date (*as defined hereinafter*).
2. The Scheme is in the best interest of the companies involved and their respective shareholders, creditors, employees and all other stakeholders.
3. This Scheme also provides for various other matters consequential or otherwise integrally connected therewith.

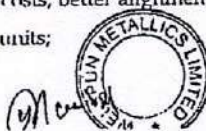
(B) DESCRIPTION OF COMPANIES

1. Welspun Metallics Limited (CIN: U27100GJ2020PLC115168) is a public limited company, incorporated under the applicable provisions of the Companies Act, 2013 and having its registered address at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110.
2. Welspun Corp Limited (CIN: L27100GJ19951LC025609) is a public limited company, incorporated under the applicable provisions of the Companies Act, 1956 and having its registered address at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110.

(C) RATIONALE OF THE SCHEME

The Scheme is expected to achieve the following:

- (i) The Transferor Company and the Transferee Company are engaged in the business of manufacture and sale of steel and steel products and their proposed merger will create synergies between the businesses, including by pooling of their financial, managerial, technical, distribution, marketing and other resources. The proposed merger is expected to, inter-alia, result in reduction of costs, better alignment, coordination and streamlining of day-to-day operations of the units;



- (ii) The consolidation will result in earning predictability, stronger revenue and improved competitiveness, with diversification in product portfolio thereby reducing business risks for the benefit of the shareholders. This will result in strong presence across market segments, provide access to new markets and product offerings along-with better bargaining power with customers / suppliers;
- (iii) Consolidation and optimization of stockyards could significantly reduce logistics and distribution costs for both companies. Clubbing of shipments may help reduce shipping costs, port terminal charges and ocean freight;
- (iv) Greater economies of scale and operational efficiencies which will provide a larger and stronger base for potential future growth;
- (v) The Transferor Company is a new company which is yet stabilizing production and scaling up, while the Transferee Company is an existing stable company with a strong balance sheet, and by merging the Transferor Company with the Transferee Company there are many cost reductions and efficiencies that can be created;
- (vi) Presently the loan borrowed by the Transferor Company are guaranteed by the Transferee Company and has higher cost of debt. The proposed merger will enable raising funds at relatively lower cost by leveraging on the strong fundamentals of the Transferee Company;
- (vii) Streamlining the structure of the Transferee Company and making it simple and transparent; and
- (viii) Reducing the multiplicities of legal and regulatory compliances.

(D) PARTS OF THE SCHEME:

The Scheme is divided into the following parts:

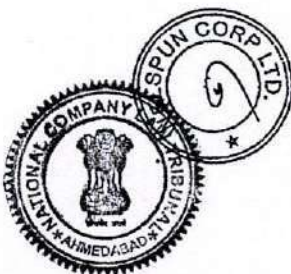
- (i) CHAPTER I deals with the definitions, interpretations and share capital;
- (ii) CHAPTER II deals with amalgamation of the Transferor Company with the Transferee Company; and
- (iii) CHAPTER III deals with general clauses, terms and conditions applicable to this Scheme.

CHAPTER I

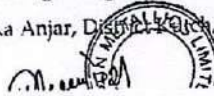
DEFINITIONS, INTERPRETATIONS AND SHARE CAPITAL

1. DEFINITIONS

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



- 1.1. "Act" means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory modification or re-enactment thereof for the time being in force;
- 1.2. "Applicable Laws" means any applicable statute, notification, bye laws, rules, regulations, guidelines, rule of common law, policy, code, directives, ordinance, orders or instructions having the force of law enacted or issued by any Appropriate Authority, including any statutory modification or re-enactment thereof for the time being in force;
- 1.3. "Appointed Date" means 1st April 2022 or such other date as may be fixed and approved by the Hon'ble Tribunal or such other competent authority;
- 1.4. "Appropriate Authority" means any applicable central, state or local government, legislative body, statutory, regulatory, administrative or statutory authority, agency or commission or department or public or judicial body or authority, including, but not limited, to Securities and Exchange Board of India, Stock Exchanges, Regional Director, Registrar of Companies, Official Liquidator, Tribunal and other applicable authorities pursuant to the provisions of Section 230(5) of the Act, as may be relevant in the context;
- 1.5. "Board of Directors" means the Board of Directors of the Transferor Company or the Transferee Company as the context may require and includes a committee or any person authorised by the board of directors or by such committee duly constituted and authorised for the purposes of matters pertaining to the amalgamation as contemplated under this Scheme and / or any other matters relating thereto;
- 1.6. "Effective Date" means the last date on which the conditions specified in Clause 18 of the Scheme are complied with;
- 1.7. "Listing Regulations" shall mean Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modifications or any enactment thereof;
- 1.8. "Scheme" means this scheme of amalgamation in its present form for sanction including / with any modifications / amendments thereto / therein made under Clause 17 of the Scheme;
- 1.9. "Transferor Company" means Welspun Metallics Limited (CIN: U27100GJ2020PLC115168) which is a public limited company, incorporated under the provisions of the Companies Act, 2013 and having its registered address at Survey No. 650, Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat 370112.



- 1.10. "Transferee Company" means Welspun Corp Limited (CIN: L27100GJ1995PLC025609) which is a public limited company, incorporated under the provisions of the Companies Act, 1956 having its registered address at Welspun City, Village Versamedi, Taluka Anjar, District Kutch, Gujarat - 370110.
- 1.11. "Stock Exchanges" means the BSE Limited and/ or wherever applicable, the National Stock Exchange of India Limited; and
- 1.12. "Tribunal" means the National Company Law Tribunal, Ahmedabad Bench having jurisdiction in relation to the Transferor Company and the Transferee Company and shall be deemed to include, if applicable, a reference to such other forum or authority which may be vested with any of the powers of the Tribunal to sanction the Scheme under the Act.

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

Reference to clauses, recitals and annexures, unless otherwise provided, are to clauses, recitals and annexures of and to this Scheme. The singular shall include the plural and vice versa.

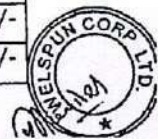
2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1. The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Hon'ble Tribunal or made as per Clause 17 of the Scheme, shall be effective from the Appointed Date, but shall be operative from the Effective Date.
- 2.2. Any reference in this Scheme to "upon the Scheme becoming effective" or "the coming into effect of the Scheme" shall mean the Effective Date.

3. SHARE CAPITAL

- 3.1. The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31st December 2022 is as under:

Share Capital	Amount in Rs.
<u>Authorized Share Capital</u>	
13,00,00,000 Equity Shares of Rs. 10/- each	130,00,00,000 /-
37,00,00,000 Preference Shares of Rs. 10/- each	370,00,00,000 /-



Share Capital	Amount in Rs.
TOTAL	500,00,00,000/-
<u>Issued, Subscribed and paid-up Share Capital</u>	
11,80,00,000 Equity Shares of Rs. 10/- each	118,00,00,000/-
34,20,00,000 Preference Shares of Rs. 10/-each	342,00,00,000/-
TOTAL	460,00,00,000/-

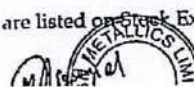
Subsequent to the above date, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferor Company. The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company.

- 3.2. The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st December 2022 is as under:

Share Capital	Amounts in Rs.
<u>Authorized Share Capital</u>	
30,41,00,000 Equity Shares of Rs. 5/- each	152,05,00,000/-
40,00,00,000 Preference Shares of Rs. 10 /- each	400,00,00,000/-
TOTAL	552,05,00,000/-
<u>Issued, subscribed and paid-up Share Capital</u>	
26,15,29,395 Equity Shares of Rs. 5/- each, fully paid up	130,76,46,975/-
35,15,11,571 Preference Shares of Rs. 10 /- each	351,51,15,710/-
TOTAL	482,27,62,685/-

Subsequent to the above date, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Transferee Company. Further, the Transferee Company has reserved 23,50,000 stock options under the Welspun Employee Stock Option Plan and granted 23,50,000 stock options at an exercise price of Rs.100 on August 16, 2018 which options will be vested over a period of 3 years with the first vesting date being 1 year from the date of grant of the option (i.e., August 16, 2019). Further, the Transferee Company has reserved 11,00,000 stock options under the Welspun Employee Stock Option Plan and granted 11,00,000 stock options at an exercise price of Rs.100 on August 3, 2022 which options will be vested over a period of 3 years with the first vesting date being 1 year from the date of grant of the option (i.e., August 3, 2023). Out of the total granted options, 3,45,000 options lapsed and 24,45,000 options are yet to be exercised. The exercise of stock options before the Effective Date, under and in accordance with the Welspun Employee Stock Option Plan, would result in an increase in the issued, subscribed and paid-up equity share capital of the Transferee Company.

The equity shares of the Transferee Company are listed on Stock Exchanges.



CHAPTER II
AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE
COMPANY

4. TRANSFER AND VESTING

4.1. With effect from the Appointed Date, the entire business and whole of the undertaking of the Transferor Company including all properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature such as licenses, permits, trademarks, quotas, investments, approvals, lease, tenancy rights, permissions, incentives, concessions, if any, and benefit of all letter of intent, request for proposal, prequalification, bid acceptances, tenders, contracts, deeds, memorandum of understanding, bonds, agreements, arrangements, track-record, experience, goodwill and all other rights, claims, powers and any other instrument and all other rights, title, interest, certificates, registrations under various legislations, contracts, consent, approvals or powers of every kind nature and descriptions whatsoever of all intents and purposes and specifically including but not limited to, the turnover, the profitability, performance, and market share of the Transferor Company from the commencement of its operations shall under the applicable provisions of the Act and pursuant to the orders of the Hon'ble Tribunal and without any further act, instrument or deed, but subject to the existing charges affecting the same as on the Effective Date be transferred and/or deemed to be transferred to and vested in the Transferee Company so as to become the properties and assets of the Transferee Company.

4.2. Without prejudice to Clause 4.1 above, in respect of such of the assets of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall 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 by way of physical delivery or novation. The investments, if any held in dematerialized form will be transferred to the Transferee Company by issuing appropriate delivery instructions to the depository participant or submission of a copy of the order of the Hon'ble Tribunal sanctioning the Scheme with whom the Transferor Company have an account for effecting the transfer of change in the nomenclature of the demat account from the name of the Transferor Company to the name of the Transferee Company. Such delivery and transfer shall be made on a date mutually agreed upon, being a date after the Scheme becoming effective. The moveable assets, other than those specified in Clause 4.1 above, including intangible assets, actionable claims, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits including deposits paid in relation to outstanding litigations, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, shall, without any further act, instrument or deed, be transferred to and vested into as the property of the Transferee Company. The Transferee Company shall



if required, give notice in such form as it may deem fit and proper to each person or debtor that, pursuant to the Scheme, the said person or debtor should pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realise the same is in substitution of the right of the Transferor Company and that appropriate entry should be passed in their respective books to record the aforesaid charges.

- 4.3. Without prejudice to any of the clauses above, with effect from the Appointed Date and upon the Scheme becoming effective, all immoveable properties, if any, including land together with buildings and structure standing thereon, whether freehold or leasehold, relating to the Transferor Company and any documents of title, rights, interests, claims, including leases, licenses and easements in relation thereto, shall, pursuant to the applicable provisions of the Act and the Scheme, without any further act, instrument, deed, matter or thing, stand transferred to and vested into the Transferee Company, as of the Appointed Date. The mutation of the title to the immoveable properties shall be made and duly recorded by the appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective, in accordance with the terms hereof, in favor of the Transferee Company.
- 4.4. Notwithstanding anything to the contrary contained herein, it is clarified that, upon the Scheme becoming effective, any loan, deposit or facility availed by both the Transferor Company and the Transferee Company shall have security, charge and / or mortgage as under:
- Working capital lenders of the Transferor Company and the Transferee Company shall be secured by first charge ranking pari passu without any preference or priority of one over the other or others by way of hypothecation or pledge of the entire current assets, namely stocks of raw materials, semi-finished and finished goods, stores and spares (consumable stores & spares) goods and book debts and all other movable of the Transferee Company (including on the assets of the Transferor Company vested in the Transferee Company) including export incentives / receivables from Government of India both present and future excluding such movable assets as may be permitted by the banks from time to time and also those specific assets already having exclusive charge as permitted by the banks. The working capital lenders of the Transferor Company shall be secured by second charge on all the fixed assets and other movable properties (other than the current assets and other specific assets exclusively charged to the banks) both present and future in a form and manner acceptable to the banks (which is subsisting or having effect immediately before the Effective Date) of the Transferor Company. The working capital lenders of the Transferee Company shall be secured by second charge on all the fixed assets and other movable properties (other than the current assets and other specific assets exclusively charged to the banks) both



present and future in a form and manner acceptable to the banks (which is subsisting or having effect immediately before the Effective Date) of the Transferee Company.

- Term loan lenders of the Transferor Company shall continue to be secured by first charge ranking pari-passu on all the fixed assets (which is subsisting or having effect immediately before the Effective Date) of the Transferor Company and the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company which shall vest in the Transferee Company by virtue of the Scheme. The Transferee Company shall not be obliged to create any further, or additional security thereof after the merger has become effective or otherwise. The transfer / vesting of the assets of the Transferor Company as aforesaid shall be subject to the existing charges / hypothecation / mortgages over or in respect of the assets or any part thereof of the Transferor Company.
- Term loan lenders (including the secured Non Cumulative Debenture holders) of the Transferee Company shall continue to be secured by first charge ranking pari-passu on all the fixed assets (which is subsisting or having effect immediately before the Effective Date) of the Transferee Company and the Scheme shall not operate to enlarge such security, charges to end and intent that such security, charges shall not extend or be deemed to extend, to any of the assets of the Transferor Company vested in the Transferee Company.

Such security, charge and / or mortgage shall be deemed to be carried out as an integral part of this Scheme without any further act or deed on the part of the Transferee Company and / or the Transferor Company.

- 4.5. All debts, liabilities, duties and obligations of whatsoever nature of the Transferor Company shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of the Act, so as to become the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Clause. Necessary modification, as may be required would be carried out to the debt instrument issued by the Transferor Company, if any.
- 4.6. With effect from the Appointed Date and upon the Scheme becoming effective, all the corporate guarantees, letters of comfort, support letters etc. issued by the Transferee Company for the benefit of the Transferor Company shall, without any further act or deed, stand cancelled.



4.7. The Transferee Company may at any time after the coming into effect of the Scheme in accordance with the provisions of the Scheme, if so required, under any law or otherwise, execute deeds of confirmation, in favour of the creditors of the Transferor Company or in favour of any other party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed in order to give formal effect to the above provisions. The Transferee Company shall under the provisions of the Scheme be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to implement or carry out all such formalities or compliance referred to above on the part of the Transferor Company to be carried out or performed.

4.8. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts, demat accounts, if any, of the Transferor Company and realise all monies and complete and enforce all pending contracts and transactions and to accept stock returns and issue credit notes in relation to the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

4.9. With effect from the Appointed Date and upon the Scheme becoming effective, all development rights, licenses and registrations (including but not limited to EXIM, EPCG, GST, BOCW, Local Employment Exchange, Registration of Boiler / Economizer, Environment Clearance, Factory License, EPFO, Electrical Installations, registrations under Interstate Migrant Workers Act, Assessment of Land, registrations under Contract Labour Act), permissions, approvals or consents, if any, to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, special status, subsidies, privileges, environmental approvals, incentives (including but not limited to under Incentive to Industries Scheme under GR No. INC-102015-64591-I), registrations, exemptions (including but not limited to exemption from payment of electricity duty) or other licenses and consents shall continue and shall vest in and become available to the Transferee Company pursuant to this Scheme.

4.10. For avoidance of doubt and without prejudice to the generality of any applicable provisions of this Scheme, it is clarified that in order to ensure (i) implementation of the provisions of this Scheme; and (ii) continued vesting of the benefits, exemptions available to the Transferor Company in favour of the Transferee Company, the Board of Directors of the Transferor Company and the Transferee Company shall be deemed to be authorised to execute or enter into necessary documents with any regulatory



authorities or third parties, if applicable and the same shall be considered as giving effect to the order of Hon'ble Tribunal and shall be considered as an integral part of this Scheme. Further the Transferee Company shall be deemed to be authorised to execute or enter into necessary documentations with any regulatory authorities or third parties, if applicable, on behalf of the Transferor Company and to carry out and perform all such formalities and / or compliances, as required for the purpose of implementation of the provisions of the Scheme.

4.11. This part of the Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

5. CONSIDERATION / CANCELLATION OF SHARES OF THE TRANSFEROR COMPANY

5.1. As the Transferor Company is a wholly owned subsidiary of the Transferee Company, no shares shall be issued to the shareholders of the Transferor Company (i.e., to the Transferee Company).

5.2. The investments in the shares (equity and preference shares) of the Transferor Company, appearing in the books of account of the Transferee Company shall, without any further act or deed, stand cancelled.

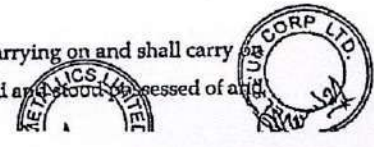
6. ACCOUNTING TREATMENT IN THE BOOKS OF THE TRANSFEE COMPANY

Notwithstanding anything to the contrary contained herein, the Transferee Company shall account for amalgamation of the Transferor Company as per Ind AS 103, Business Combinations - Appendix C, other applicable Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and relevant clarifications issued by the Institute of Chartered Accountants of India.

7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

From the date of approval of the Scheme by the Board of Directors and upto and including the Effective Date:

7.1. The Transferor Company shall be deemed to have been carrying on and shall carry its business and activities and shall be deemed to have held and stood possessed of all



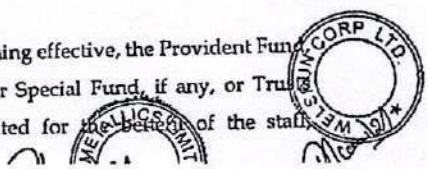
shall hold and stand possessed of all its properties and assets for and on account of and in trust for the Transferee Company. The Transferor Company undertakes to hold the said assets with utmost prudence until the Effective Date.

- 7.2. The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not, except in the ordinary course of business or without prior written consent of the Transferee Company, alienate, charge, mortgage, encumber or otherwise deal with or dispose of any business or part thereof.
- 7.3. All the profits or income accruing or arising to the Transferor Company or expenditure, or losses arising or incurred or suffered by the Transferor Company from the Appointed Date and upto and including the Effective Date shall for all purposes be treated and be deemed to be accrued as the income or profits or losses or expenditure as the case may be of the Transferee Company.
- 7.4. The Transferor Company shall not vary the terms and conditions of employment of any of the employees of the Transferor Company, except in the ordinary course of business or without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken by them, as the case may be, upto the Effective Date.
- 7.5. The Transferor Company and the Transferee Company shall be entitled, pending sanction of the Scheme, to apply to the Central/State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which may be required pursuant to this Scheme.

8. EMPLOYEES

- 8.1. Upon the Scheme becoming effective, all staff, workmen and employees of the Transferor Company, if any, who are in service as on the Effective Date shall become staff, workmen and employees of the Transferee Company, without any break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favorable than those applicable to them with reference to their employment with the Transferor Company on the Effective Date. The Transferee Company agrees that the services of all such employees with the Transferor Company, up to the Effective Date shall be taken into account for purposes of all retirement benefits to which they may be eligible as on the Effective Date.

- 8.2. It is expressly provided that, upon the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or such other Special Fund, if any, or Trust (hereinafter collectively referred as "Funds") created for the benefit of the staff



workmen and employees of the Transferor Company shall, with the approval of the concerned authorities, become Funds of the Transferee Company, or shall be transferred to or merged with other similar funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Funds or in relation to the obligation to make contributions to the said Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Funds shall become those of the Transferee Company. It is clarified that the services of the staff, workmen and employees will be treated as having been continuous for the purpose of the said Funds.

9. **LEGAL PROCEEDINGS**

If any suit, action, appeal or other proceeding, of whatsoever nature by or against the Transferor Company is pending on the Effective Date or is instituted any time thereafter, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of or by anything contained in this Scheme, but the said suit, appeal or other legal proceedings may be continued, prosecuted and enforced by or against 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 Company as if this Scheme had not been made.

10. **VALIDITY OF EXISTING RESOLUTIONS, ETC**

Upon the Scheme becoming effective, the resolutions of the Transferor Company, as are considered necessary by the Board of Directors of the Transferee Company and which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolution of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory law, then the said limits, as are considered necessary by the Board of Directors of the Transferee Company, shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

11. **CONTRACTS, DEEDS AND OTHER ENTITLEMENTS ETC.**

- 11.1. Subject to the other provisions of this Scheme, all contracts, deeds, bonds, insurance, letters of intent, undertakings, arrangements, policies, agreements and other instruments, if any, of whatsoever nature pertaining to the Transferor Company, which is subsisting as on the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto.



11.2. The Transferee Company and/or the Transferor Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any arrangements, confirmations or novations in order to give formal effect to the provisions of this Scheme. The Transferee Company shall be deemed to be authorised 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.

12. TAX

12.1. With effect from the Appointed Date and upon the Scheme becoming effective, all taxes, duties, cess payable / receivable by the Transferor Company including all or any refunds / credits shall be treated as the asset / liability or refunds / credits as the case may be, of the Transferee Company. The Transferee Company shall be entitled to get credit / claim of refund of any tax paid and / or any deduction at source or tax collected at source on or after the Appointed Date.

12.2. Any tax liabilities under the Income Tax Act, 1961 or other Applicable Laws/regulations dealing with taxes/ duties/ levies allocable or related to the Transferor Company whether or not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.

12.3. Without prejudice to the generality, all benefits to which the Transferor Company is entitled to in terms of the Applicable Laws, shall be available to and vest in the Transferee Company.

12.4. Upon the Scheme becoming effective, with effect from the Appointed Date, the Transferor Company and the Transferee Company are expressly permitted to prepare and/or revise, as the case may be, their financial statements and returns along with the prescribed forms, filings and annexure under the Income Tax Act, 1961, GST laws and other laws, if required, to give effects to provisions of the Scheme.

12.5. All tax assessments proceedings/appeals of whatsoever nature by or against the Transferor Company pending at and/or arising after the Appointed Date and relating to the Transferor Company shall be continued and/or enforced until the Effective Date as desired by the Transferee Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against the Transferor Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, subject to the provisions of the relevant statutes the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation



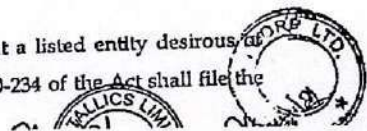
of the Transferor Company with the Transferee Company or anything contained in the Scheme.

- 12.6. All expenses incurred by the Transferor Company under section 43B of the Income-tax Act, 1961, shall be claimed as deduction by the Transferee Company as and when the same is paid subsequent to the Appointed Date.
- 12.7. Any refund due to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the books as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company.
13. **SAVING OF CONCLUDED TRANSACTIONS**
The transfer of assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferor Company under Clause 9 above shall not affect any transaction or proceedings already concluded by the Transferor Company 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 on behalf of the Transferee Company.
14. **DISSOLUTION OF THE TRANSFEROR COMPANY**
Upon the Scheme becoming effective, the Transferor Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230 and 232 of the Act.

CHAPTER III

GENERAL CLAUSES, TERMS AND CONDITIONS APPLICABLE TO THIS SCHEME

15. **APPLICATION TO THE HON'BLE TRIBUNAL**
The Transferor Company and the Transferee Company as may be directed by the Hon'ble Tribunal shall make all necessary application and petition under Sections 230 to 232 and other applicable provisions of the Act, for seeking approval of the Scheme.
16. **LISTING AGREEMENT AND SEBI COMPLIANCES**
16.1. Since the Transferee Company is a listed company, this Scheme is subject to compliances of all the requirements under the Listing Regulations and all statutory directives of the Securities Exchange Board of India ("SEBI") insofar as they relate to sanction and implementation of this Scheme.
- 16.2. Regulation 37(1) of the Listing Regulations provides that a listed entity desirous of undertaking a scheme of arrangement under Sections 230-234 of the Act shall file the



draft scheme of arrangement with the stock exchange(s) on which the listed entity is listed in order to obtain the No Objection Certificate. Only after the No Objection Certificate is obtained, the scheme of arrangement can be filed with Hon'ble Tribunal. However, the requirement to obtain No Objection Certificate from the stock exchange(s) before filing the scheme of arrangement with the Hon'ble Tribunal has been relaxed in case of merger of a wholly-owned subsidiary with its holding company - Regulation 37(6) of the Listing Regulations. Proviso to Regulation 37(6) of the Listing Regulations provides that the draft scheme shall be filed with the stock exchange(s) for disclosure purpose. Accordingly, this Scheme shall be filed with the stock exchange(s) for disclosure purpose.

17. **MODIFICATION OR AMENDMENTS TO THE SCHEME**

The Transferor Company and the Transferee Company by their respective Board of Directors, may assent to/make and/or consent to any modifications/amendments to the Scheme or to any conditions or limitations that the Hon'ble Tribunal and/or any other authority under law may deem fit to direct or impose, or which may otherwise be considered necessary, desirable or appropriate, subject to approval of the Hon'ble Tribunal, as a result of subsequent events or otherwise by them (i.e., the Board of Directors). The Transferor Company and the Transferee Company by their respective Board of Directors are authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whatsoever for carrying the Scheme, whether by reason of any directive or orders of any other authorities or otherwise howsoever, arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

18. **CONDITIONALITY OF THE SCHEME**

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

- 18.1. The requisite consent, approval or permission of the Central Government or any other statutory or regulatory authority, which by law may be necessary for the implementation of this Scheme.
- 18.2. The Scheme being approved by the requisite majority in number and value of such classes of persons including the respective members and/or creditors of the Transferor Company and the Transferee Company as may be directed by the Hon'ble Tribunal or such other competent authority.
- 18.3. The sanction of the Hon'ble Tribunal under sections 230 to 232 of the Companies Act, 2013 in favour of the Transferor Company and the Transferee Company under the said provisions and the necessary order being obtained.



19. **DIVIDENDS**

19.1. The Transferor Company or the Transferee Company shall be entitled to declare dividends, whether interim and/or final, to their respective shareholders prior to the Effective Date.

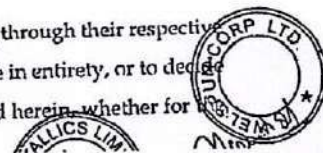
19.2. It is clarified that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Transferor Company and/or the Transferee Company to demand or claim any dividend which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors, and if applicable in accordance with the provisions of the Act, be subject to the approval of the shareholders.

20. **EFFECT OF NON-RECEIPT OF APPROVALS**

20.1. In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/or the Scheme not being sanctioned by the Hon'ble Tribunal or such other competent authority and/or the order not being passed as aforesaid before 31st December 2024 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their respective Board of Directors or any committee thereof (and which the Board of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

20.2. If any Chapter (or part thereof) of the Scheme is invalid, ruled illegal by the Hon'ble Tribunal of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the parties that such Chapter (or part thereof) shall be severable from the remainder of the Scheme and the Scheme shall not be affected thereby, unless the deletion of such Chapter (or part thereof) shall cause the Scheme to become materially adverse to any party, in which case the Companies (acting through its respective Boards of Directors), to which such Chapter (or part thereof) relates to and the Transferor Company and the Transferee Company shall attempt to bring about a modification in the Scheme, as will best preserve for the parties, the benefits and obligations of this Scheme, including but not limited to such Chapter (or part thereof).

20.3. The Transferor Company and the Transferee Company (acting through their respective Boards of Directors) shall be at liberty to withdraw the Scheme in entirety, or to decide not to give effect to any one or more of the Chapters contained herein, whether for



reason of any condition or alteration imposed by the Hon'ble Tribunal or any other governmental/regulatory authority not being acceptable to them, or otherwise.

21. EXPENSES CONNECTED WITH THE SCHEME

Save and except as provided elsewhere in the Scheme, all costs, charges, taxes including duties, levies and all other expenses including registration fee of any deed, in relation to or in connection with negotiations leading upto the Scheme and of carrying out and implementing the terms and provisions of this Scheme and incidental to the completion of the Scheme shall be borne and paid by the Transferee Company.



List of assets of Welspun Metallics Limited ('the Transferor Company') as on Appointed Date i.e. 1st April 2022 to be transferred and vested to Welspun Corp Limited ('the Transferee Company') pursuant to the Scheme of Amalgamation of Welspun Metallics Limited ('the Transferor Company') with Welspun Corp Limited ('the Transferee Company') and their respective shareholders sanctioned by the Hon'ble National Company Law Tribunal, Ahmedabad Bench.

PART I
Free hold properties of the Transferor Company

Sr. No	Survey No.	Area in Sq. Mtrs.	Address
1	618	11,129	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
2	619	15,075	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
3	625	20,234	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
4	627	1,25,251	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
5	628	64,548	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
6	631	26,608	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
7	632	2,732	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
8	620/P1	9,095	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
9	626/P1/P2/P3	16,692	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
10	629/P1	16,188	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
11	629/P2	24,787	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
12	630	19,324	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110
13	624	27,923	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110

Building of the Transferor Company

Sr. No.	Description	Address	INR (Book Value 01.04.2022)
1	Buildings	Welspun City, Village Vershamedi, Anjar S.O, Anjar, KACHCHH, 11-Gujarat, 91-India, Pincode - 370110	31,22,347



Welspun Metallics Limited

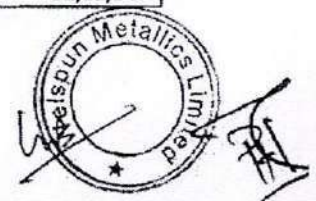
Welspun House, Kamala Mills Compound, Lower Parel (West), Mumbai 400 013, India.

Tel: 022 6613 6000 / 2490 8000 F: +91 22 2490 8020

Company secretary_wmi@welspun.com Website: www.welspun.com

Registered Office Address: 115, Mangalam Residency, Survey No. 175, Meghpar, Taluka Anjar, District Kutch, Gujarat 370 110, India.

Identification No.: U27100GJ2020PLCI15168

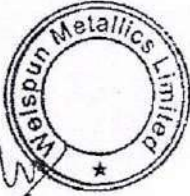


PART II
Lease hold properties of the Transferor Company

Sr. No.	Name of the Owner of the Property	Address of Property
	Nil	-NA-

PART III
Other stocks, shares, debentures, any other charges in action of the Transferor Company

Sr No.	Particulars	No of share / units	Face Value per share / units (INR)	Face Value (INR)
1	Welspun Captive Power Generation Ltd.	59,075	10	5,90,750
	Total	59,075		5,90,750



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**Part IV
Other Assets of the Transferor Company**

Sr. No.	Particulars	INR (Book Value 01.04.2022)
1	Vehicles	22,26,454
2	Furniture & Fixtures	24,27,693
3	Office & Other Equipment's	16,32,174
4	Computers Hardware	76,94,669
5	Capital Work In Progress	8,29,40,21,385
6	Security Deposit Given - Vendor	5,70,000
7	Capital advances	46,27,67,267
8	Balance with statutory authorities	1,10,48,62,913
9	Cash and cash equivalents	4,93,74,731
10	Bank balances other than cash and cash equivalents	3,07,085
11	Loans to employees	1,95,000
12	Other receivable from related parties	2,40,83,208
13	Security Deposit Given - Others	25,48,971
14	Current Tax assets	22,40,709
15	Prepaid expenses	3,20,34,138
16	Employees advances	2,00,000
	Total	9,98,71,86,397

For Welspun Metallics Limited

Percy Birdy

Director

DIN: 07634795

Date: 23rd October 2023




Prepared by Shivlesh

Signature [Handwritten Signature]

Date 31-10-2023

Certified to be True Copy of the Original

[Handwritten Signature]
31/10/23
Assistant Registrar
NCLT, Ahmedabad Bench
Ahmedabad

Date of pronouncement of Order: 27-10-2023
Date on which application for Certified Copy was made: 30-10-2023
Date on which Certified Copy was ready: 31-10-2023
Date on which Certified Copy delivered: 31-10-2023

