



Form I. R.

CERTIFICATE OF INCORPORATION

No. 14336 of 1969-70.

I hereby certify that "PAREKH DYECHEM INDUSTRIES PRIVATE 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 BOMBAY this TWENTY-EIGHTH day of JULY, One thousand nine hundred and SIXTY NINE, (6th Shravana, 1891).



Sd/-

(S. C. Bafna)
Registrar of Companies
Maharashtra.

NO. 14336/TA

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

In the office of the Registrar of Companies, Maharashtra, Bombay.

In the matter of * PAREKH DYECHEM INDUSTRIES PRIVATE LIMITED.

I hereby approve and signify in writing under section 21 of the Companies Act 1956 (Act I of 1956) read with the Government of India, Department of Company Affairs Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the company from PAREKH DYECHEM INDUSTRIES PRIVATE LIMITED.

to PDI CHEMICALS PRIVATE LIMITED.

and

I hereby certify that PAREKH DYECHEM INDUSTRIES PRIVATE LIMITED which was originally incorporated on TWENTY-EIGHTH day of

JULY 1969 under the ** COMPANIES Act 19 56.

and under the name PAREKH DYECHEM INDUSTRIES PRIVATE LIMITED

having duly passed the necessary resolution in terms of section 21/22(1)(a)/22(1)(b) of the Companies Act 1956 the name of the said company is this day changed to PDI CHEMICALS PRIVATE LIMITED.

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

Given under my hand at Bombay this FIRST day of JULY 19 ~~85~~ Thousand Nine Hundred Eighty Six).



(Signature)

(V. RADHAKRISHNAN)
ADDL. REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.

Note: 1. * Here give the name of the company as existing prior to the change.

2 ** Here give the name of the Act(s) under which the company was originally registered and incorporated.

NO. 14336/TA

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME

In the office of the Registrar of Companies, Maharashtra, Bombay.

In the matter of * PAREKH DYECHAM INDUSTRIES PRIVATE LIMITED.

I hereby approve and signify in writing under section 21 of the Companies Act 1956 (Act I of 1956) read with the Government of India, Department of Company Affairs Notification No. G.S.R. 507E dated the 24th June 1985 the change of name of the company from PAREKH DYECHAM INDUSTRIES PRIVATE LIMITED.

to PDI CHEMICALS PRIVATE LIMITED.

and

I hereby certify that PAREKH DYECHAM INDUSTRIES PRIVATE LIMITED which was originally incorporated on TWENTY-EIGHTH day of

JULY 1969 under the ** COMPANIES Act 19 56.

and under the name PAREKH DYECHAM INDUSTRIES PRIVATE LIMITED

having duly passed the necessary resolution in terms of section 21/22(1)(a)/22(1)(b) of the Companies Act 1956 the name of the said company is this day changed to PDI CHEMICALS PRIVATE LIMITED.

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

Given under my hand at Bombay this ^{28/10/85} FIRST day of ^{October} Bombay.
JULY 19 85 (One Thousand Nine Hundred Eighty Six).



(Signature)
(V. RADHAKRISHNAN)
ADDL. REGISTRAR OF COMPANIES
MAHARASHTRA, BOMBAY.

Note: 1. * Here give the name of the company as existing prior to the change.

2 ** Here give the name of the Act(s) under which the company was originally registered and incorporated.

NO. 11-14336

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

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,
BOMBAY

In the matter of* **PDI CHEMICALS LIMITED**

I hereby approve and signify in writing under
Section 21 of the Companies Act, 1956 (Act I of 1956)
read with the Government of India, Department of Company
Affairs, Notification No.G.S.R.507E dated the 24th June
1985 the change of name of the company from

PDI CHEMICALS LIMITED

to **FIDILITE INDUSTRIES LIMITED**

and I hereby certify that **PDI CHEMICALS LIMITED**

which was originally incorporated on TWENTYEIGHTH day
of JULY 1969 under the ** COMPANIES Act,
1956 and under the name **PARSEE LYCEUM INDUSTRIES
PRIVATE LIMITED**

having duly passed the necessary resolution in terms
of section 21(2)(a)-(c) of the Companies Act, 1956
the name of the said company is this day changed to

FIDILITE INDUSTRIES LIMITED

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

GIVEN UNDER MY HAND AT BOMBAY THIS TWENTYFIRST DAY OF
FEBRUARY 1990 (One thousand nine hundred ninety)



L. G. Anantharaman

(**L. G. ANANTHARAMAN**)
ADDL. REGISTRAR OF COMPANIES,
MAHARASHTRA, BOMBAY.

Here give the name of the company as
existing prior to change.

2** Here give the name of the Act(s) under
which company was originally registered
and incorporated.

THE COMPANIES ACT, 1956

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

PIDILITE INDUSTRIES LIMITED

Name of the Company

- I. The name of the Company is ***PIDILITE INDUSTRIES LIMITED.***

Registered Office

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

Object of the Company

- III. The objects for which the Company is established are :—

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

1. To acquire and take over as a going concern the business or trade carried on by Shri Balvantray Kalyanji Parekh, Shri Himatlal Kalyanji Parekh, Shri Chimanlal Kalyanji Parekh, Shri Sushilkumar Kalyanji Parekh, Shri Narendrakumar Kalyanji Parekh, Smt. Triveniben Surchand and Shri Madhukar Balvantray Parekh in partnership in the firm name and style of MESSRS. PAREKH DYECHEM INDUSTRIES, at 211, Himalaya House, Palton Road, Bombay - 1, and having factory at Vijay Silk Prints Compound, Andheri-Kurla Road, Bombay - 70, as Merchants, Manufacturers, Processors, Importers and Exporters in Dyes and Chemicals, Glues and Adhesives, Synthetic Resins, Textile Auxiliaries, Plastics, Perfumery Compounds, Aromatic Chemicals, Pharmaceuticals, etc. as per the terms and conditions to be agreed upon by the above said partners on the one side and the Company on the other side.
2. To carry on business as Merchants, Manufacturers, Processors, Importers and Exporters, Producers and Refiners of Dyes and Dyestuffs, Pigments and other colouring materials, chemicals and chemical compounds of all kinds, intermediates, Adhesives, Binders and Glues, Synthetic and Natural Resins and their products, Paints, Varnishes, Lacquers, Coating Compositions and Paint Raw Materials, Printing and Writing Inks and Artists'

Materials, Petrochemicals and Petroleum products, Auxiliaries, Aromatic Chemicals, Fine Chemicals and Pharmaceutical Chemicals, Drugs, Medicines and Provisions, Perfumery Materials, Compounds and Cosmetics, Rubber and Rubber Products, Soaps, Detergents, Washing and Cleaning Compounds, Packages, Oils, Oil-Seeds and other Agricultural and Horticulture Products, Electroplating Chemical and other articles, products or other things of any description whether analogous to the foregoing or not.

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

3. To apply for purchase or otherwise acquire any interest in any receipes, patents, trade marks, knowhow, licences, concessions or the like conferring exclusive or non-exclusive or limited right to use the same or any secret or information as to any invention in relation to the processing, manufacture, treatment, storage, application and use of dyes and dyestuffs, chemicals and chemical compounds and of any materials or compounds or of any apparatus used in such processing, manufacture, treatment, storage, application and use or generally any inventions which may seem capable of being used for the purposes of the Company or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, grant licences in respect thereof or otherwise turn to account the properties, rights and information so acquired.
4. To buy, sell, deal in all kinds of machinery, plant and apparatus, utensils, articles and substances and things commonly used or capable of being used in connection with the materials and things to be manufactured, refined, dealt with, imported, exported, distributed or sold by the Company.
5. To carry on any other trade or business whatsoever which can, in the opinion of the Company, be advantageously and conveniently carried on by the Company by way of extension of or in connection with any such business as aforesaid or is calculated directly or indirectly to develop any branch of the Company's business or to increase the value of or turn to account any of the Company's assets, property or rights.
6. To enter into any contracts or arrangements with any Government or authority, 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 authority any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise, perform and comply with any such contract, arrangement, rights, privileges and concessions.
7. To acquire, buy, purchase, lease or otherwise acquire, hold, sell, exchange, grant, dispose of and deal in lands, buildings, offices, shops, warehouses, laboratories, garages and premises of every description, mortgages, charges, grants, concessions, leases, contracts, policies, book debts and claims and any interest in any moveable or immoveable property and any claims against such property.

8. To construct, maintain, improve, develop, work, manage, carry out or control, any offices, buildings, warehouses, factories, laboratories, garages, shops, stores and erections of every description and any roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, watercourses, wharves and other works and conveniences which the Company may think directly or indirectly conducive to the objects or interests of the Company and to contribute or otherwise assist or take part in the construction, improvement, maintenance, working, management, or development or carrying out of control thereof.
9. To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined and particularly by way of advance or deposit with or without interest to or with any bank, corporation, person or persons and to make, draw, accept, endorse, negotiate, buy, sell, discount and otherwise deal in bills, notes, warrants, coupons and other negotiable and transferable instruments, securities or documents, whether of Government or any public body, corporation or private person or persons.
10. To lend money either with or without security and generally to such persons on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contracts by any such persons; provided that the Company shall not carry on the business of banking as defined by the Banking Regulation Act, 1949.
11. To borrow or raise money, or to receive money on deposit whether as security for the performance of any contract or service with or to the Company or otherwise and whether at interest or otherwise in such manner as the Company may think fit and on security of any such money so borrowed, raised or received, to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off any such securities; provided that the Company shall not accept any deposits for the purpose of lending and investment.
12. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities, of any person, firm or company carrying on any business which this Company is authorised to carry on or possessed of property or rights suitable for any of the purposes of the Company and to purchase, acquire, sell and deal in property, shares, debentures of any such person, firm or company and to conduct, make or carry into effect any arrangements in regard to the winding-up of the business of any such person, firm or company.
13. To enter into partnership or into any arrangement for sharing profits, amalgamation, union of interests, co-operation, joint adventure, reciprocal concessions or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or to enter into and conduct any business

agreement, undertaking or transaction with any Government, person, firm or corporation which may be advisable or seem capable of being carried on or conducted so as directly or indirectly to benefit the Company and to lend money, to guarantee the contracts of or otherwise assist any such person, firm or company and to place, take or otherwise acquire and hold shares or securities of any such person, firm or company, and to sell, hold, re-issue, with or without guarantee or otherwise deal with the same.

14. To promote and form and to be interested in and take, hold and dispose of shares in other companies for all or any of the objects mentioned in this Memorandum and to subsidise or otherwise assist any such company.
15. To assist any company financially or otherwise by issuing or subscribing for or guaranteeing the subscription and issue of capital, shares or other securities and to take, hold and deal in shares and securities of any company, notwithstanding there may be any liabilities thereon.
16. To pay for any properties, rights or privileges acquired by this company either in shares of this Company or partly in shares and part in cash or otherwise and to give shares of this Company in exchange for shares of any other company.
17. To sell, lease, mortgage, surrender, abandon and in any other manner deal with or dispose of the undertaking or property of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures and other securities of any other company having objects altogether or in part similar to those of the company.
18. To sell the undertaking and all or any of the property of Company for cash or for stock, shares, or securities of any other company or for other considerations.
19. To subscribe to or otherwise aid benevolent, charitable, national or other institutions or objects or of a public character or which have any moral or other claim to support or aid or to contribute to political parties by the Company by reason of the locality of its operations or otherwise.
19. (A) To undertake, carry out, promote and sponsor rural development including any programmes for promoting social and economic welfare of, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist the execution and promotion thereof either directly or through an association or institution or through an independent agency or in any other manner. Without prejudice to the generality of the foregoing “Programme of rural development” shall also include any programme for promoting social and economic welfare of or the uplift of the public in any rural area which the Directors consider likely to promote and assist rural development, and that the words “rural area” shall include such areas as may be regarded as rural areas under Section 35 CC of the Income-tax Act, 1961 or any other Law

relating to rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any such association or institution or any Public or Local Body or Authority or Central or State Government or any Public Institutions or Trusts or Funds as the Directors may approve.

- 19. (B)** To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the public or any section of the public as also any activity which the Directors consider likely to promote national welfare or social, economic or moral uplift of any section of the public and in such manner and by such means as the Directors may think fit and the Directors may without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc. or for organising lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons to enable them to pursue their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trust, etc. having any one or more of the aforesaid objects as one of its objects by giving donations or otherwise in any manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public Institutions or Trusts or Funds as the Directors may approve.
- 20.** 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 the business of any of the property of the Company, or for any other purposes conducive to the interest of the Company.
- 21.** To provide for the welfare of the employee or employees of the Company and the wives, widows and families or the dependents or connections of such persons by grants of money, pensions, allowances, bonus or other payment, or by creating and from time to time subscribing to provident institutions or associations, funds or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Company shall think fit and otherwise to assist or guarantee money to any charitable or benevolent institution or object which shall have any moral or other claim to support or aid by the Company either by

reason of locality or operation or of utility to the Company or its employees.

- 22. To place to reserve or to distribute as dividend or bonus among the members, or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares issued at a premium by the Company any moneys received in respect of dividends accrued on forfeited shares or from unclaimed dividends.
- 23. To distribute subject to Sec. 205 (3) of the Act any of the property of the Company amongst the members in specie or kind.
- 24. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the Press, by circulars, posters, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations (including donations to any fund for charitable or public purposes).
- 25. To undertake and execute any trusts the undertaking whereof may seem desirable either gratuitously or otherwise and to transact and carry on all kinds of agency business in connection with the main objects.
- 26. To do all or any of the above things and all such other things as are incidental or may be thought conducive to the attainment of the above objects or any of them in any part of India or elsewhere and as principals, agents, contractors, trustees or otherwise and either alone, conjunctions with others and so that the word “Company” in this Memorandum when applied otherwise than to this Company shall be deemed to include any authority, partnership or other body of persons, whether incorporated or not incorporated and whether domiciled in India or elsewhere; and the intention is that the objects set forth in each of the several paragraphs of this clause shall have the widest possible construction and shall be in no way limited or restricted by reference to or inference from the terms of any other paragraph of this clause or the name of the Company and that the doctrine of ejusdem generis shall not apply.
- 27*. To establish, incorporate, open branches, offices, depots, warehouses, subsidiaries, joint venture companies, new companies, body corporate, firms or associations or partnerships and appoint agents, representatives in any part of the world.

(C) OTHER OBJECTS :

- 28*. (a) To carry on the business of generation, transmission, sales and distribution of electric power and in particular to construct, lay down, establish, operate, fix and carry out thermal, hydraulic, Wind, Solar power plants and stations, gas turbines of all types, cables, optic fibre, wires, lines, accumulators, lamps and works, and to generate, acquire by

★ Inserted as per the order dated 9th May, 1996 passed by the Company Law Board, Western Region Bench, Bombay.

purchase in bulk, accumulate, distribute and supply electricity.

- (b) To carry on the business of manufacturers of and dealers in apparatus, plants, machinery and equipments of all kinds required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity.
- (c) To acquire concessions or licences for the construction and maintenance of electric installations for the production, transmission or use of electric power.

29*. To acquire, utilise, grow, plant, cultivate, breed, produce, to exploit any estates, properties, conveyances, vessels, or lands and to carry out researches and inventions for and with respect to floricultural, agricultural, horticultural, plantation, sericultural, aqua cultural and farming purpose and agro-industrial projects and to carry on business of or as producers, millers, grinders, rollers, planters, fishing, processors, preservers, growers, cultivators, packagers, cold storers, traders, buyers and sellers, importers, agents, consultants, dealers, storekeepers and distributors and exporters for any ordinary or specialised floricultural, dairy products, poultry products, agricultural, horticultural, sericultural, aqua cultural and agro industrial products and commodities, including flowers, fruits, vegetables, food grains, pulses, seeds, cash crops, cereal products and flora.

30*. To carry out and conduct research and development, implement manufacture, alter, convert, modify, buy, sell, export, import, give or take on lease, or on licence, service and repair or otherwise deal in any other manner, in electrical and electronic appliances and apparatus and systems of every description and stores of all kinds such as Television, Radio, Transistors, Computers, Calculators, Typewriters, Word Processors, Printers, Audio and visual cassettes, floppy Discs, tapes, data processing equipment, Software and hardware, integrated circuit, silicon chips or any other consumer equipment, communication equipments, hospital equipment, electric and electronic motors, dynamos, generators, switch gears, transformers, rectifiers, fuels, industrial electronic devices, switches and switch devices, lighting apparatus, display devices, printing devices, high frequency apparatus, magnetic components, air borne equipment, electronic cameras, infrared tubes, generation and servo control equipment, control systems and allied equipment and machines and to conduct bureau of complete services, peripherals, and all other devices and accessories, spare parts, components and of all kinds of instruments, apparatus, equipments and gadgets used for or in connection with the aforesaid matters or products and to develop, design, sell, export or otherwise give on hire computer programmes.

★ Inserted as per the order dated 9th May, 1996 passed by the Company Law Board, Western Region Bench, Bombay.

- 31*. To deal in gold, silver, bullion, platinum, other noble metals, diamond and precious and semi precious stones, jewellery.
- 32*. To import and/or export garments, handicrafts, and artefacts, carpets, metal wares, and consumer goods.
- 33*. To carry on the business of manufacturers, importers, exporters, merchants, distributors, commission agents, wholesalers, retailers and dealers in all types of leather, plastic, papers and boards, fabrics, yarn and products manufactured thereof.

IV. The liability of the members is limited.

- V**.** The Authorised Share Capital of the Company is Rs. 1,25,00,00,000 (Rupees One Hundred and Twenty Five Crores only) divided into 1,25,00,00,000 (One Hundred and Twenty Five Crores only) Equity Shares of Re. 1 (Rupee One) each with power to increase or reduce, divide or alter and repay the capital or any portion thereof at any time and that the shares in the capital whether original or increased may be divided into different classes with privileges and conditions in accordance with the Articles of Association of the company and the legislative provision for the time being in force in this behalf.

★ ★

* Inserted as per the order dated 9th May, 1996 passed by the Company Law Board, Western Regional Bench, Bombay.

** Increase of Authorised Share Capital from Rs. 15,00,000 to Rs. 50,00,000 vide Ordinary Resolution passed at the Extraordinary General Meeting held on 24-07-1980

** Increase of Authorised Share Capital from Rs. 50,00,000 to Rs. 1,00,00,000 vide Ordinary Resolution passed at the Extraordinary General Meeting held on 22-12-1989

** Increase of Authorised Share Capital from Rs. 1,00,00,000 to Rs. 10,00,00,000 vide Ordinary Resolution passed at the Extraordinary General Meeting held on 13-10-1992

** Increase of Authorised Share Capital from Rs. 10,00,00,000 to Rs. 20,00,00,000 vide Ordinary Resolution passed at the Annual General Meeting held on 17-09-1996

** Increase of Authorised Share Capital from Rs. 20,00,00,000 to Rs. 30,00,00,000 vide Ordinary Resolution passed at the Extraordinary General Meeting held on 14-03-2000

** Sub-division of Equity Shares of Nominal Value of Rs. 10 each into Re. 1 each vide Ordinary Resolution passed at the Annual General Meeting of the members of the Company held on 09-08-2005

** Increase of Authorised Share Capital from Rs. 30,00,00,000/- to Rs. 46,50,33,999 pursuant to Scheme of Arrangement for Demerger of VAM Manufacturing Unit of Vinyl Chemicals (India) Limited into Pidilite Industries Limited duly sanctioned by Hon'ble Bombay High Court vide its Order dated 14-12-2007 (Certified on 14-01-2008)

** Increase of Authorised Share Capital from Rs. 46,50,33,999 to Rs. 70,00,00,000 vide Special Resolution passed at the Extraordinary General Meeting held on 04-03-2010

** The Authorised Share Capital of the Company has been increased from Rs. 70,00,00,000 to Rs. 99,00,00,000 pursuant to following two Schemes of Amalgamation approved by the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT')

A. Scheme of Amalgamation of Pidilite Adhesives Pvt. Ltd. (PAPL) into Pidilite Industries Ltd. as approved by NCLT vide its order dated 07-03-2022 (Certified on 29-03-2022) for increase in authorised share capital by Rs. 28,00,00,000/-

B. Scheme of Amalgamation of Cipy Poly Urethanes Pvt. Ltd. into Pidilite Industries Ltd. approved as approved by NCLT vide its order dated 23-03-2022 (Certified on 12-04-2022) for increase in authorised share capital by Rs. 1,00,00,000/-

** Increase of Authorised Share Capital from Rs. 99,00,00,000 to Rs. 1,25,00,00,000 vide Ordinary Resolution passed by the shareholders through Postal Ballot on 11-09-2025.

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

Name of Subscribers	Addresses, Occupation & Descriptions of Subscribers	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Signature of Witnesses, and their Addresses, Descriptions, Occupations
Parekh Sushilkumar Kalyanji Son of Parekh Kalyanji Valji	Flat No. 40, 7th Floor, Bhaveswar Darshan, Altamount Road, BOMBAY - 26.	1 One Equity Share	S. K. Parekh	D. A. KOTHARI DHIRAJLAL AMRATLAL KOTHARI 565, 32nd Road, Bandra, BOMBAY - 50. Chartered Accountant Son of Amratlal Devchand Kothari
Parekh Himatlal Kalyanji Son of Parekh Kalyanji Valji	Mahavir, Blk. B 11, Derasar Lane Ghatkopar, BOMBAY - 77.	1 One Equity Share	H. K. Parekh	
Parekh Narendrakumar Kalyanji Son of Parekh Kalyanji Valji	Plot No. 12, Parvati Bldg., 2nd Floor, Sion, BOMBAY - 22.	1 One Equity Share	N. K. Parekh	
Parekh Chimanlal Kalyanji Son of Parekh Kalyanji Valji	146, Jain Society, Sion, BOMBAY - 22.	1 One Equity Share	C. K. Parekh	
Parikh Balvantray Kalyanji Son of Kalyanji Valji Parekh	15, Usha Kiran, 15, Carmichael Road, BOMBAY - 26.	1 One Equity Share	B. K. Parekh	
Parekh Madhukar Son of Balvantray Kalyanji Parekh	15, Usha Kiran, 15, Carmicahel Road, BOMBAY - 26.	1 One Equity Share	S.K. Parekh for M.B. Parekh by Power of Attorney	
by his constituted Attorney Parekh Sushilkumar Kalyanji Son of Kalyanji Valji Parekh				
Triveniben Surchand Widow of Parekh Kalyanji Valji	Plot No. 12, Parvati Bldg., 2nd Floor, Sion, BOMBAY - 22.	1 One Equity Share	Triveniben Surchand (in Gujarati)	
		7 Seven Equity Shares		

Dated this 1st day of July, 1969

TABLE OF CONTENTS OF THE ARTICLES OF ASSOCIATION

Sr. No.	Particulars	Page Nos.
1.	Constitution of the Company	1
2.	Interpretation	1
3.	General Authority	2
4.	Share Capital	2
5.	Preference Shares	3
6.	Underwriting and Brokerage	3
7.	Share Certificate	3
8.	Calls	4
9.	Forfeiture of Shares	5
10.	Company's Lien	7
11.	Transfer of Shares	8
12.	Transmission of Shares	9
13.	Further Issue of Shares	10
14.	Buy-Back of Shares	10
15. A.	Alteration of Share Capital	11
15. B.	Conversion into Stock	11
15. C.	Reduction of Share Capital	12
16.	Variation of Rights	12
17.	Chairman	12
18.	Proceedings at General Meeting	12
19.	Adjournment of General Meeting	14
20.	Voting Rights	14
21.	Proxy	15
22.	Directors	15
23.	Retirement of Directors by Rotation	16
24.	Appointment of Alternate Directors	16
25.	Casual Vacancy and Additional Directors	16
26. A.	Nominee Director	16
26. B.	Debenture Director	17
27.	Powers of the Board	17
28.	Further Powers of the Board	17
29.	Borrowing	20
30.	Proceedings of the Board of Directors	20
31.	Minutes of Board of Directors and Committee Meetings	21
32.	Chief Executive Officer , Manager, Company Secretary and Chief Financial Officer	22
33.	Registers to be maintained by the Company	22
34.	Powers to Appoint Managing Director and Whole-Time Directors	23
35.	Managing Director will not be subject to retirement by Rotation	23
36.	Powers and Duties of Managing Director and Whole-Time Director	23
37.	Seal	24
38.	Dividend	24
39.	Capitalisation of Profits and Reserves	25
40.	Accounts	26
41.	Winding Up	26
42.	Indemnity and Insurance	27
43.	Service of Notice	27
44.	Secrecy	27

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES (Incorporated under the Companies Act, 1956)

ARTICLES OF ASSOCIATION

OF

PIDILITE INDUSTRIES LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to the resolution passed by the members at the 48th Annual General Meeting of the Company held on 31st August, 2017, in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

1. CONSTITUTION OF THE COMPANY

- i. The regulations contained in Table “F” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.
- ii. The regulations for the management of the Company and for the observance by the members thereto and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

2. INTERPRETATION

- a. In the interpretation of these Articles, the following words and expressions shall have the following meaning assigned thereunder, unless repugnant to the subject or context thereof.

“The Act” or “the said Act”

“The Act” or “the said Act” means the Companies Act, 2013 read with the relevant Rules or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

“Articles”

“Articles” means these Articles of Association of the Company or as altered from time to time.

“Board of Directors” or “Board”

“Board of Directors” or “Board”, means the collective body of the directors of the Company.

“The Company” or “This Company”

“The Company” or “This Company” means ***PIDILITE INDUSTRIES LIMITED***.

“Rules”

“Rules” means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

“Seal”

“Seal” means the common seal for the time being of the company.

- b. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act or the Rules, as the case may be.

3. GENERAL AUTHORITY

The things prescribed in the Act to be done only if authorised by Articles, hereby generally authorized

Wherever the Act or the Rules provide that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its Articles, then and in that case this regulation hereby authorises and empowers the Company to have such right, privilege or authority and to carry such transaction as have been permitted by the Act without there being any specific articles in that behalf herein provided.

4. SHARE CAPITAL

- i. Subject to the provisions of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
- ii. Subject to the provisions of the Act and these Articles, the Board 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 for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.
- iii. The Company may issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:
 - a. Equity share capital:
 - with voting rights; and / or;

- with differential rights as to dividend, voting or otherwise in accordance with the Rules; and

b. Preference share capital

5. PREFERENCE SHARES

The Company, subject to the applicable provisions of the Act, shall have the power to issue on a cumulative or non-cumulative basis, preference shares whether convertible or non-convertible and to be redeemed in any manner permissible under the Act and the Board may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

6. UNDERWRITING AND BROKERAGE

Commission may be paid

Subject to the provisions of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any securities of the Company, or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any securities of the Company, but so that the commission shall not exceed in the case of shares five per cent of the price at which the shares are issued and in the case of debentures two and half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures or partly in the one way and partly in the other.

Brokerage

The company may pay a reasonable sum for brokerage.

7. SHARE CERTIFICATE

- i. Every person whose name is entered as a member in the register of members shall be entitled to receive-
 - a. within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or;
 - b. within such other period as the conditions of issue shall provide -
 - one certificate for all his shares without payment of any charges; or
 - several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.
- ii. Every certificate shall be under the Seal (where the Company has a Seal) and shall specify the shares to which it relates and the amount paid-up thereon.
- iii. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

- iv. The Company shall be entitled to dematerialise its existing Shares, rematerialise its Shares held in the depository and/or to offer its fresh shares in a dematerialised form pursuant to the Depositories Act and the regulations framed thereunder, if any.
- v. If any certificate be worn out, defaced, mutilated or torn or 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 is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deems adequate, being given, a new Certificate in lieu thereof shall be given. Every Certificate under the Articles shall be issued on payment of such fees as may be fixed by the Board.
- vi. The provisions of this Article shall mutatis mutandis apply to Debentures and other Securities of the Company.

8. CALLS

- i. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times.
- ii. Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.
- iii. The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances.
- iv. A call may be revoked or postponed at the discretion of the Board.
- v. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.
- vi. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- vii. If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the time of actual payment at such rate as may be fixed by the Board.
- viii. The Board shall be at liberty to waive payment of any such interest wholly or in part.
- ix. Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

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

 - a.** may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
 - b.** upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the monies so paid by him until the same would, but for such payment, become presently payable by him.
- xii.** If by the conditions of allotment of any shares, the whole or part of the amount of issue price thereof shall be payable by instalments, then every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder. All calls shall be made on a uniform basis on all shares falling under the same class.
- xiii.** Neither a judgment nor a decree in favour of the Company for calls or other monies due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.
- xiv.** The provisions of these Articles relating to calls shall mutatis mutandis apply to any other securities including debentures of the Company.

9. FORFEITURE OF SHARES

- i.** If a member fails to pay any call or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.
- ii.** The notice aforesaid shall:

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

- iii. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- iv. Neither the receipt by the Company for a portion of any money which may from time to time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other monies payable in respect of the forfeited shares and not actually paid before the forfeiture.
- v. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.
- vi. The forfeiture of a share 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 and all other rights incidental to the share.
- vii. A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit. At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- viii. A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realisation. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.
- ix. A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- x. The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- xi. The transferee shall thereupon be registered as the holder of the share;

- xii.** The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.
- xiii.** Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.
- xiv.** Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.
- xv.** The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.
- xvi.** The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
- xvii.** The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

10. COMPANY'S LIEN

- i.** The Company shall have a first and paramount lien –
 - a.** on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - b.** on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

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

- ii.** The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.
- iii.** Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made-

- a. unless a sum in respect of which the lien exists is presently payable; or
- b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

iv. Validity of sale:

- a. To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
 - b. The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- v.** The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
- vi.** The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.
- vii.** The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.
- viii.** In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.
- ix.** The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company.

11. TRANSFER OF SHARES

- i. The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- ii. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- iii. The Board may, subject to the right of appeal conferred by the Act decline to register –

- a. the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - b. any transfer of shares on which the Company has a lien.
- iv. In case of shares held in physical form, the Board may decline to recognise any instrument of transfer unless –
 - a. the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
 - b. the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - c. the instrument of transfer is in respect of only one class of shares.
- v. On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.
- vi. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

12. TRANSMISSION OF SHARES

- i. On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the Company as having any title to his interest in the shares.
- ii. Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- iii. Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
 - a. to be registered himself as holder of the share; or
 - b. to make such transfer of the share as the deceased or insolvent member could have made.

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

- iv. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were signed by that member.
- v. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

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

- vi. The provisions of these Articles relating to transmission by operation of law shall *mutatis mutandis* apply to any other securities including debentures of the Company.
- vii. No fee shall be payable to the Company in respect of transfer or transmission of any shares in the Company.

13. FURTHER ISSUE OF SHARES

- i. The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –
 - a. persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or
 - b. employees under any scheme of employees' stock option; or
 - c. any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.
- ii. A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

14. BUY- BACK OF SHARES

Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

15. A. ALTERATION OF SHARE CAPITAL

Subject to the provisions of the Act, the Company may, by ordinary resolution-

- a.** increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;
- b.** consolidate and divide all or any of its share capital into shares of larger amount than its existing shares:

Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;

- c.** convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- d.** sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- e.** cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Provided that the cancellation of shares pursuant to the actions as above shall not be deemed to be reduction of share capital within the meaning of the Act.

B. CONVERSION INTO STOCK

Where shares are converted into stock:

- a.** the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

- b.** the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;
- c.** such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder”/ “member” shall include “stock” and “stock-holder” respectively.

C. REDUCTION OF SHARE CAPITAL

The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —

- a. its share capital; and/or
- b. any capital redemption reserve account; and/or
- c. any securities premium account; and/or
- d. any other reserve in the nature of share capital.

16. VARIATION OF RIGHTS

- i. Where, the Capital, is divided (unless otherwise provided by the terms of issue of the shares of that class) into different classes of shares, all or any of the rights and privileges attached to each class may be varied, subject to the provisions of the Act and applicable Laws, and whether or not the Company is being wound up, be varied provided the same is affected with consent in writing of the holders of not less than three-fourths of the issued shares of that class or by way of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class.
- ii. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate meeting.
- iii. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking paripassu therewith.

17. CHAIRMAN

- i. The Chairman of the Board shall preside as Chairman at every General Meeting of the Company.
- ii. If there is no such Chairman of the Board or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the Chair, then the Directors present shall elect one of them as Chairman.
- iii. If no Director is present or if all the Directors present decline to take the Chair, then the members present shall elect one of their members to be the Chairman of the meeting.
- iv. No business shall be discussed at any General Meeting except the election of a Chairman while the Chair is vacant.
- v. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairman shall have a second or casting vote.

18. PROCEEDINGS AT GENERAL MEETING

- i. Except as provided in the said Act, no general meeting, annual or extraordinary, shall be competent to enter upon, discuss or transact any

business a statement of which has not been specified in the notice convening the meeting.

- ii. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- iii. The quorum for a general meeting shall be as provided in the Act.
- iv.
 - A. The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and 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 kept for that purpose with their pages consecutively numbered.
 - B. There shall not be included in the minutes any matter which, in the opinion of the Chairman of the meeting -
 - a. is, or could reasonably be regarded, as defamatory of any person; or
 - b. is irrelevant or immaterial to the proceedings; or
 - c. is detrimental to the interests of the Company.
 - C. The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds as specified above.
 - D. The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.
- v.
 - A. The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:
 - be kept at the registered office of the Company or such other place as the Board may decide; and
 - be open to inspection of any member without charge, during 11.00 a.m. to 1.00 p.m. on all working days other than Saturdays.
 - B. Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (A) above:
- vi. The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

19. ADJOURNMENT OF GENERAL MEETING

- i. The Chairman may, *suomotu*, adjourn the meeting from time to time and from place to place.
- ii. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- iii. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

20. VOTING RIGHTS

- i. Subject to any rights or restrictions for the time being attached to any class or classes of shares -
 - a. on a show of hands, every member present in person shall have one vote; and
 - b. on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- ii. A member may exercise his vote at a meeting either by electronic means or otherwise in accordance with the Act and shall vote only once.
- iii. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

- iv. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If a member is a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.
- v. 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 of 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 proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- vi. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- vii. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company

have been paid or in regard to which the Company has exercised any right of lien.

- viii. A member is not prohibited from exercising his voting 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 the preceding Article.
- ix. Any member 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 members of the same class.
- x. A preference share holder shall not be entitled to vote at general meetings of the Company except as provided under the Act.

21. PROXY

- i. Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.
- ii. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.
- iii. An instrument appointing a proxy shall be in the form as prescribed in the Rules.
- iv. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- v. In case of e-voting, a member shall be deemed to have exercised his voting rights by himself, even if any other person had voted using the log in credentials of that member.

22. DIRECTORS

- i. Subject to the applicable provisions of the Act, the number of directors of the Company shall not be less than 3 (three) and not more than 15 (fifteen). However, the Company may at any time appoint more than 15 (fifteen) directors after passing special resolution at a general meeting.
- ii. The Company may, and subject to the provisions of the Act, remove any director before the expiration of his period of office and appoint another director.

- iii. The same individual may, at the same time, be appointed as the Chairman of the Company as well as the Managing Director or Chief Executive Officer of the Company.

23. RETIREMENT OF DIRECTORS BY ROTATION

At every Annual General Meeting of the Company, one-third of such of the Directors as are liable to retire by rotation in accordance with the Act (excluding Independent Directors, Nominee Directors and Alternate Directors), or, if their number is not three or a multiple of three then the number nearest to one-third shall retire from office and they will be eligible for re-election.

The directors to retire by rotation shall be those who have been longest in office since their last appointment but as between persons who became directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

24. APPOINTMENT OF ALTERNATE DIRECTORS

- i. The Board may appoint an alternate director to act for a director (hereinafter in this Article called “the Original Director”) during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.
- ii. An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.
- iii. If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

25. CASUAL VACANCY AND ADDITIONAL DIRECTORS

- i. If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated.
- ii. Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.
- iii. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

26. A. NOMINEE DIRECTOR

The Company may agree with any financial institution, Company or any other authority, person, State or institution that in consideration of any loan or financial assistance of any kind whatsoever which may be rendered by it, it

shall have power to nominate such number of directors on the Board of Directors of the Company as may be agreed and from time to time remove and re-appoint them and to fill in vacancy caused by such directors otherwise ceasing to hold office. Such nominated Directors shall not be liable to retire by rotation.

B. DEBENTURE DIRECTOR

Any Trust deed for securing debentures may provide for the right of debenture trustee to appoint and nominate and from time to time remove and reappoint a director or directors, in accordance with the provisions of the trust deed securing the said debentures. Such director shall have all the rights and privileges of a director of the Company, except in so far as is otherwise provided for herein or by the trust deed securing the debentures.

27. POWERS OF THE BOARD

Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do, provided that the Board shall not exercise any power or do any act or thing which is to be exercised or done by the Company in general meeting. In exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or in the Memorandum of the Company or these Articles or any regulations made by the company in General Meeting. No regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if those regulations had not been made.

28. FURTHER POWERS OF THE BOARD

Without prejudice to the general powers conferred by the preceding Article and without limiting or restricting those powers and without prejudice to the other powers conferred by the Articles, it is hereby declared that the directors shall have the following powers, that is to say, powers :

- i. To pay and charge to the capital account of the Company any commission or interest lawfully payable under the provisions of the Act.
- ii. Subject to provisions of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and if any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- iii. At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company either wholly or partly in cash or in shares, bonds, debentures, mortgages or other securities of the Company and any such shares may be issued either as fully paid up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages, or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- iv. To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.

- v.** To accept from any member, as far as may be permissible by law, surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- vi.** To appoint any person to accept and hold in trust for the Company any property belonging to the Company in which it is interested or for any other purposes and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- vii.** To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Company and to refer any differences to arbitration either according to Indian law or according to any foreign law and either in India or abroad, and observe, perform or challenge any award made thereon.
- viii.** To act on behalf of the Company in all matters relating to bankruptcy and insolvency.
- ix.** To make and give receipts, release and other discharges for monies payable to the Company and for the claims and demands of the Company.
- x.** Subject to the provisions of the Act, to invest and deal with any monies of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they may think fit and from time to time to vary or realise such investment shall be made and held in the Company's own name.
- xi.** To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety for the benefit of the Company such mortgages of the Company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- xii.** To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, release, contracts and documents and to give the necessary authority for such purpose.
- xiii.** To distribute by way of bonus amongst the staff of the Company a share in the profits of the Company and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as part of the working expenses of the Company.
- xiv.** To provide for the welfare of directors or ex-directors or employees or ex-employees of the Company and the wives, widows and families or the dependants of such person by building or contributing to the building of houses, dwelling units or by grants of money, pensions, gratuities, allowances, bonus or other payments or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of interest and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit subject to

the provisions of the Act to subscribe or contribute or otherwise to assist or to guarantee monies to charitable, benevolent bodies.

- xv.** To appoint and at their discretion, remove or suspend persons for permanent, temporary, contractual or for special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments or remuneration and to require security in such instances and of such amount as they may think fit and from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit.
- xvi.** To comply with the requirements of any local law.
- xvii.** From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local board and to fix their remuneration.
- xviii.** Subject to provisions of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board and to authorise the member for the time being of any such local board or any of them to fill up any vacancies therein and to act notwithstanding vacancies and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and may at any time remove any person so appointed and may annul or vary such delegation.
- xix.** At any time and from time to time by powers 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 and for such period and subject to such conditions as the Board may from time to time think fit including powers enabling any such delegate or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions vested in them.
- xx.** Subject to provisions of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- xxi.** Subject to provisions of the Act, to sell, lease or otherwise dispose any of the properties or undertakings of the Company.
- xxii.** Upon the Company entering into a partnership with any other person or Company for the purposes of carrying on the business as per the object clause of the Memorandum and Articles of Association, the Company may authorise and/or appoint such one or more of directors, officers or other representatives from time to time to do such acts, deeds or things as may be necessary for the purpose of obtaining, holding, exercising or enforcing the rights and powers of a partner and performing the duties and obligations of a partner. The above provisions will apply mutatis mutandis where a Company becomes a member of a Limited Liability Partnership, an association of persons or a body of individuals, including representing the Company at a meeting of the partners.
- xxiii.** The Board of Directors may authorise from time to time accept to act as constituted attorney for any person or persons resident or non-resident in India or Company whether belongs to resident or non-resident in India and exercise

through any director or directors or any person authorised by a resolution of the Board, all powers obtained in Company by the document of power of Attorney.

- xxiv.** To establish and maintain branches and agencies and manufacturing / processing facilities in foreign countries, to appoint representatives, acquire property and to do such other incidental things for conduct of the business of the Company in foreign countries.
- xxv.** To exercise all powers as may be necessary to carry on the business of the Company effectively.

29. BORROWING

- i.** Subject to the provisions of the Act, the Company may, from time to time, by a resolution passed at a meeting of the Board, borrow money either in form of advance of calls, bonds, debentures, debenture-stock or otherwise, or secure the payment of monies for the purposes of the Company not exceeding the limits of aggregate of the paid up share capital of the Company and its free reserves as provided in the Act. Provided, however, where the monies to be borrowed together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aforesaid aggregate, the Directors shall not borrow such monies without the consent of the Company in General Meeting.
- ii.** The directors may, by a resolution passed at a meeting of the Board, raise or secure the payment or repayment of any monies borrowed in such a manner and upon such terms and conditions in all respects as they think fit and, in particular by the issue of bonds, or debentures of the Company or any mortgage, charge or other security upon all or any part of the undertaking or property of the Company (both present and future) including its uncalled capital for the time being.
- iii.** Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company, shall be under the control of the Board 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.

30. PROCEEDINGS OF THE BOARD OF DIRECTORS

- i.** The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
- ii.** The Secretary, as directed by a Director, or any other Director shall, as and when directed by the Chairman or a Director convene a meeting of the Board by giving a notice in writing to every Director in accordance with the provisions of the Act.
- iii.** The quorum for a Board meeting shall be as provided in the Act.
- iv.** The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. Each director shall have one vote. In case of an equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

- v. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.
- vi. The Chairman of the Company shall be the Chairman at meetings of the Board. In his absence, the Board may elect a Chairman of its meetings and determine the period for which he is to hold office. If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be Chairman of the meeting.
- vii. The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.
- viii. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board. The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.
- ix. A Committee may elect a Chairman of its meetings unless the Board, while constituting a Committee, has appointed a Chairman of such Committee.
- x. If no such Chairman is elected, or if at any meeting the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairman of the meeting.
- xi. A Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present. Each Committee member shall have one vote. In case of an equality of votes, the Chairman of the Committee shall have a second or casting vote.
- xii. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
- xiii. Save as provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.

31. MINUTES OF BOARD OF DIRECTORS AND COMMITTEE MEETINGS

- i. The Company shall cause minutes of all proceedings of meetings of its Board of Directors or of committees of the Board, to be entered in books kept for the purpose.

- ii. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- iii. All appointments of officers made at any time of the meetings aforesaid shall be included in the minutes of the meeting.
- iv. There shall not be included in the minutes, any matter which, in the opinion of the Chairman of the meeting :
 - a. is or could reasonably be regarded as defamatory of any person;
 - b. is irrelevant to the interests of the Company; or
 - c. is detrimental to the interests of the Company.
- v. Any such minutes, if purporting to be signed by the Chairman of the meeting at which the proceedings took place or by the Chairman of the next succeeding meeting, shall be evidence of the proceedings.
- vi. Where the minutes have been kept in accordance with clause (i) hereof; 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 the resolution passed by circulation, other permitted means shall be construed to have been duly passed, and in particular all appointments of Directors, Key Managerial Personnel, Auditors or Company Secretary in practice, made at the meeting shall be deemed to be valid, including the matters that are required to be transacted at a meeting of the Board as specified in the said Act.

32. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

- i. Subject to the provisions of the Act,—

A chief executive officer, manager, company secretary and 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 and chief financial officer so appointed may be removed by means of a resolution of the Board.

The Board may appoint one or more chief executive officers for its multiple businesses.

- ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

33. REGISTERS TO BE MAINTAINED BY THE COMPANY

- i. The Company shall keep and maintain at its registered office all statutory registers and in such manner and containing such particulars as prescribed by the Act and the Rules.
- ii. The registers which as per the Act are open for inspection and copies of annual return shall be available for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, by the persons entitled thereto on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. In the event such person conducting inspection of the abovementioned documents requires extracts of

the same, the Company may charge a fee which shall not exceed rupees ten per page or such other limit as may be prescribed under the Act.

- iii. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.
- iv. The foreign register shall be open for inspection and may be closed and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.
- v. Save as otherwise expressly provided in the Act or these Articles, Registers requiring authentication by the Company may be signed by any key managerial personnel, director or such other person authorized by the Board and need not be under its Seal.

34. POWERS TO APPOINT MANAGING DIRECTOR AND WHOLETIME DIRECTORS

Subject to the provisions of the Act and of these Articles, the Directors may from time to time appoint one or more persons to be Managing Director/Whole-time Director or Managing Directors, Whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit and may from time to time (subject to the provisions of any contract between him or them) remove from office and appoint another or others in his or their place or places. The Directors may wherever they appoint more than one Managing Directors, designate one or more of them as “Joint Managing Director” or “Joint Managing Directors” or “Deputy Managing Directors” or “Deputy Managing Director” and accordingly, the expression “Managing Director” shall also include and be deemed to include the “Joint Managing Director” or the “Deputy Managing Director” as the case may be.

35. MANAGING DIRECTOR WILL NOT BE SUBJECT TO RETIREMENT BY ROTATION

Subject to the provisions of the Act and of these Articles, a Managing Director shall not while he continues to hold that office, be subject to retirement by rotation but he shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall, ipso facto, and immediately cease to be a Managing Director if he ceases to hold office of Director for any cause. Provided that at any time the number of Directors (including the Managing Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for time being, then such Managing Director or Managing Directors as the Board of Directors shall from time to time select shall be liable to retirement by rotation to the intent that the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being. A Managing Director who is re-elected as a Director immediately on retirement by rotation shall continue to hold his office of Managing Director and such re-election as Director shall not be deemed to constitute a break in his appointment as Managing Director.

36. POWERS AND DUTIES OF MANAGING DIRECTOR AND WHOLE-TIME DIRECTOR

Subject to the superintendence, control and direction of the Board of Directors the day to day management of the company shall be in the hands of the Managing Director and/or whole-time directors. The directors may from time to time entrust to and confer upon a Managing Director and whole-time director for the time being save as hereafter in this Article provided such of the powers exercisable under their rights by

the directors as they may think fit, and may confer rights by the directors as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient, and they may, subject to the provisions of the Act and these Articles, confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the directors in that behalf; and may from time to time revoke, withdraw, alter or vary all or any of such powers.

37. SEAL

The Board of Director may provide a Common Seal for the Company, and shall have power to destroy the same and substitute or not substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal, if any, for the time being. The Seal shall never be used except by the authority of the Board or a Committee of the Board previously given and in presence of the Director of the Company or some other person appointed by the Director for the purpose.

Every Deed or other instrument to which the Seal is required to be affixed shall unless the same is executed by a duly constituted attorney be signed by any Director or the Secretary or such other person(s) as may be duly authorized by the Board or a Committee of the Board for the purposes.

The Company shall not have a Common Seal, if the Board in its sole discretion so decides.

38. DIVIDEND

- i. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.
- ii. Subject to the provisions of the Act, the Board may from time to time pay to the members interim dividends of such amount on such class of shares and at such times as it may think fit.
- iii. The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
- iv. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- v. The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.
- vi. Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders,

to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

- vii. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- viii. Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- ix. No dividend shall bear interest against the Company. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

39. CAPITALISATION OF PROFITS AND RESERVES

- i. The Company by ordinary resolution in general meeting may, upon the recommendation of the Board, resolve —
 - a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - b. that such sum be accordingly set free for distribution in the manner specified in clause (ii) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii) below, either in or towards:
 - a. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - b. paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
 - c. partly in the way specified in sub-clause (a) and partly in that specified in subclause (b).
- iii. A securities premium account and a capital redemption reserve account or any other permissible reserve account may, , be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.
- iv. Whenever such a resolution as aforesaid shall have been passed, the Board shall -

- a.** make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and
 - b.** generally do all acts and things required to give effect thereto.
 - v.** The Board shall have power—
 - a.** to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and
 - b.** to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares. Any agreement made under such authority shall be effective and binding on such members.

40. ACCOUNTS

- i.** The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules.
- ii.** No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorised by the Board.

41. WINDING UP

- i.** Subject to the applicable provisions of the Act and the Rules made thereunder—
 - a.** If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
 - b.** For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- ii.** The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

42. INDEMNITY AND INSURANCE

- i. Subject to the provisions of the Act, every director, managing director, whole-time director, manager, company secretary and other officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, Company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, Company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.
- ii. Subject as aforesaid, every director, managing director, manager, company secretary or other officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.
- iii. The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

43. SERVICE OF NOTICE

Document or notice may be served or sent by the Company on or to any member either personally or by sending it by courier, registered post, speed post or leaving it at its registered office or by means of electronic mode or other mode as may be prescribed under the Act 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.

44. SECRECY

- i. Every Director, Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, observe strict secrecy respecting all customers and the state of the accounts with individuals and in matters relating thereto, and shall not reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
- ii. No member shall be entitled to visit or inspect the Company's works without the permission of the directors or the Managing Director or to require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the directors or the Managing Directors it will be inexpedient in the interest of the members of the Company to communicate to the public.

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

Name of Subscribers	Addresses, Occupation & Descriptions of Subscribers	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Signature of Witnesses, and their Addresses, Descriptions, Occupations
Parekh Sushilkumar Kalyanji Son of Parekh Kalyanji Valji	Flat No. 40, 7th Floor, Bhaveswar Darshan, Altamount Road, BOMBAY - 26.	1 One Equity Share	S. K. Parekh	D. A. KOTHARI DHIRAJLAL AMRATLAL KOTHARI 565, 32nd Road, Bandra, BOMBAY - 50. Chartered Accountant Son of Amratlal Devchand Kothari
Parekh Himatlal Kalyanji Son of Parekh Kalyanji Valji	Mahavir, Blk. B 11, Derasar Lane Ghatkopar, BOMBAY - 77.	1 One Equity Share	H. K. Parekh	
Parekh Narendrakumar Kalyanji Son of Parekh Kalyanji Valji	Plot No. 12, Parvati Bldg., 2nd Floor, Sion, BOMBAY - 22.	1 One Equity Share	N. K. Parekh	
Parekh Chimanlal Kalyanji Son of Parekh Kalyanji Valji	146, Jain Society, Sion, BOMBAY - 22.	1 One Equity Share	C. K. Parekh	
Parikh Balvantray Kalyanji Son of Kalyanji Valji Parekh	15, Usha Kiran, 15, Carmichael Road, BOMBAY - 26.	1 One Equity Share	B. K. Parekh	
Parekh Madhukar Son of Balvantray Kalyanji Parekh	15, Usha Kiran, 15, Carmicahel Road, BOMBAY - 26.	1 One Equity Share	S.K. Parekh for M.B. Parekh by Power of Attorney	
by his constituted Attorney Parekh Sushilkumar Kalyanji Son of Kalyanji Valji Parekh				
Triveniben Surchand Widow of Parekh Kalyanji Valji	Plot No. 12, Parvati Bldg., 2nd Floor, Sion, BOMBAY - 22.	1 One Equity Share	Triveniben Surchand (in Gujarati)	
		7 Seven Equity Shares		

Dated this 1st day of July, 1969

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 152 OF 1985

Connected with

COMPANY APPLICATION NO. 27 OF 1985

In the matter of Companies Act, 1956

And

In the Matter of Parekh Dye-Chem
Industries Private Limited.

And

In the Matter of Scheme of
Amalgamation of Kondivita Private
Limited with the Petitioner Company.

Parekh Dye-Chem Industries Private Limited, a	}	
Company Registered under the Companies Act,	}	
1956 and having its Registered Office at	}	
Regent Chambers, 7th Floor, 208 Nariman	}	
Point, Bombay -400 021	}	 Petitioner

CORAM : Aggarwal J.

DATE : 20-09-1985

UPON the Petition of Parekh Dye-Chem Industries Private Limited, the Petitioner Company abovenamed, solemnly affirmed on the 13th day of February, 1985 and presented to this Hon'ble Court on the 16th day of February, 1985 for sanctioning of an arrangement embodied in the proposed scheme of amalgamation of Kondivita Pvt. Ltd., (hereinafter referred to as the Transferor Company) with Parekh Dye-Chem Industries Pvt. Ltd the Petitioner Company above named (hereinafter referred to as the Transferee Company) and for consequential reliefs as mentioned in the said Petition, and the said Petition being this day called for hearing and final disposal AND UPON READING the said Petition and the affidavit of Sushilkumar Kalyanji Parekh solemnly affirmed on 13th day of February, 1985 verifying the said Petition AND UPON PERUSING the issues of "Bombay Samachar" dated 4th March, 1985 and "Daily" dated 5th March, 1985 both containing the advertisement of the date of hearing of the said petition AND UPON READING the affidavit of Priyakant Chhotalal Patel solemnly affirmed on 11th March, 1985 proving publication of notice in the said newspapers AND UPON READING the affidavit of Priyakant Chhotalal Patel solemnly affirmed on 24th June, 1985 proving service of Notice of hearing of the Petition upon the creditors of the Transferee Company AND UPON READING the order dated 30th January, 1985 passed in company Application No. 27 of 1985 whereby convening of the meeting of the equity share holders, first preference share holders and second preference shareholders of the Transferee Company including notice to be advertised in the newspapers filing of Chairman's report, explanatory statement under Section 393 of the Companies Act, 1956 were dispensed with AND UPON HEARING Shri V.B. Trivedi with Mr. J.I. Mehta, Advocates instructed by M/s. Manilal Kher

Ambalal & Co., Advocates for the Transferee Company and Miss S.I. Shah, Advocate for the Regional Director, Company Law Board, Bombay who appears in pursuance of the notice under Section 394A of the Companies Act, 1956 THIS COURT DOTH HEREBY SANCTION the arrangement embodies in the Scheme of Amalgamation of Kondivita Private Limited the Transferor Company with Parekh Dye-Chem Industries Pvt. Ltd., the Transferee Company as set forth in ex. 'D' to the Petition and annexed as Schedule hereto AND THIS COURT DOTH HEREBY DECLARE the same to be binding on all the shareholders of the Transferee Company and also on the Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from the 1st day of July, 1984 (hereinafter called "the appointed day") the entire undertaking of Transferor Company, a company incorporated under the Companies Act, 1956 and having its registered office at Regent Chambers, 7th Floor, 208 Nariman Point, Bombay 400 021 including all its properties, moveables and immoveables and assets, such as leases, tenancy rights, licenses of all types and nature including registration with D.G.T.D. and Industrial licenses, permits quotas, trade marks, patents, import and other licenses, benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever be transferred without any further act of deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred and vest in and deemed to have been transferred to and vested in the Transferee Company for all the estate and interest of the Transferor Company therein but subject never the less to all charges, if any, now affecting the same, a Company incorporated under the Companies Act, 1956 and having its registered office at Regent Chambers, 7th Floor, Nariman Point, Bombay 400021 AND THIS COURT HEREBY DOTH FURTHER ORDER that with effect from the appointed day, all debts, liabilities, duties and obligations of the Transferor Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394 (2) of the Companies Act, 1956, be deemed to have transferred to and become from the appoint day, debts, liabilities, duties and obligations of the Transferee Company, AND THIS COURT DOTH HEREBY FURTHER ORDER that all legal proceedings pending by or against the Transferor Company at the date on which this scheme shall finally take effect, shall be continued and enforced by or against the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that in consideration or vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot (1) 5000 (five Thousand) preference shares of Rs. 10/- each against and in lieu of 5000 (five Thousand) first preference shares of Rs. 10/- each having similar rights as those of 5000 (five Thousand) first preference shares of Rs. 10/- each of the Transferor company, (2) 4000 (four Thousand) preference shares of Rs. 10/- each against and in lieu of 4000 (four Thousand) second preference shares of Rs. 10/- each of the Transferor company, (3) 32,000 (thirty two Thousand) preference shares of Rs. 10/- each against and in lieu of 32,000 (thirty two Thousand) third preference shares of Rs. 10/- each having similar rights as those of 32,000 (thirty two Thousand) third preference shares of Rs. 10/- of the Transferor Company, credited as fully paid up preference shares to the shareholders of the Transferor company whose names are recorded in the Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company, AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company shall also issue and allot equity shares to the members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company in the following ratio, namely, three equity shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 4 equity shares of the face value of Rs. 10/- (Rupees Ten) each in the Transferor Company to the Members of the Transferor Company or their heirs, Executors, administrators or other legal representatives of their successors in title as the case may be, AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company

do within thirty days from the date of sealing of the order sanctioning the scheme of Amalgamation cause a certified copy of the Order to be delivered to the Registrar of Companies, Maharashtra, Bombay, for registration and on such certified copy being so delivered and on dissolution of the Transferor Company without winding up the Registrar of Companies, Maharashtra, Bombay shall place all the documents and records relating to the Transferee Company and Registered with him on the file kept by him in relation to the Transferee Company and in files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH HEREBY FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon'ble court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned herein being Exhibit 'D' to the petition and as set forth in the Schedule hereto AND THIS COURT DOTH HEREBY LASTLY ORDER that the Transferee Company do pay a sum of Rs. 300/- to the Regional Director, Company Law Board, Bombay, towards costs of the said Petition witness, Shri K. Madhav Reddy, Chief Justice at Bombay, aforesaid this 20th day of September, 1985.

SEAL

Sd/- G. Rajamauli

SEALER

This 15th day of October, 1985

By the Court
Sd/- K.B. Poojari

for Prothonotary &
Senior Master,
High Court, Bombay

ORDER Sanctioning the Scheme of	}
Amalgamation under Section 391 and	}
394 of the Companies Act, 1956 drawn	}
on the Application of M/s.Manilal Kher	}
Ambalal & Co., Advocates for the	}
Petitioners, having their office at	}
Jehangir Wadia Bldg.,	}
51, M.G. Road, Fort,	}
Bombay -400 023.	}

HIGH COURT

O.O.C.J.

COMPANY PETITION NO. 152 OF 1985,

Connected with

COMPANY APPLICATION NO. 27 OF 1985

In the matters of Companies
Act, 1956, & Etc.

Parekh Dye-Chem Industries Private Limited

Petitioner

Coram : Aggarwal J.

Date : 20-09-1985

ORDER SANCTIONING THE
SCHEME OF AMALGAMATION UNDER
SECTION 391 AND 394 OF THE
COMPANIES Act, 1956

Dated this 20th day of September, 1985.

Filed this 15th day of October, 1985

Applied on : 30-09-1985

Engrossed on : 11-10-1985

Section Writer : Sd/-

Folios : 45

Examined by : Sd/-

Compared with : Sd/-

Ready on : 15-10-1985

Delivered on : M/s. Manilal Kher Ambalal & Co., Advocates for the petitioner

SCHEDULE

SCHEME OF AMALGAMATION OF

KONDIVITA PRIVATE LIMITED

WITH

PAREKH DYE-CHEM INDUSTRIES PRIVATE LIMITED

1. With effect from 1st day of July, 1984 (hereinafter called the “Appointed Day”) the entire undertaking of Kondivita Private Limited a Company incorporated under the Companies Act, 1956 and having its Registered office at Regent Chambers, 7th Floor, 208, Nariman Point, Bombay 400 021, (hereinafter called “the Transferor Company”) including all its properties, movable and immovable and assets such as leases, tenancy right, licences, of all types and nature including Registrations with D.G.T.D. and industrial licences, permits, quota, trade mark, patents, import and other licences, benefits of all agreements and all other interests rights and powers of every kind, nature and description whatsoever, all which undertaking, properties, assets, interests, rights and powers are hereinafter for brevity’s sake referred to as “the said Undertaking” shall without any further act or deed, be and shall stand transferred to and vested in or to be deemed to have been transferred to and vested in Parekh Dyechem Industries Private Limited, a company incorporated under the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Nariman Point, Bombay - 400 021, (hereafter called “the Transferee Company”) pursuant to Section 394 of the Companies Act, 1956
2. With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to Section 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligation of the Transferee Company.
3. The Scheme although effective from the Appointed day shall become operative from the last of the dates on which certified copies of the Courts' orders under Section 391,392 and 394 of the said Act shall be filed with the Registrar of Companies.
4. With effect from the Appointed Day and upto the date on which this Scheme finally takes effect, the Transferor company shall be deemed to carry on all the business and activities and stand possessed of all properties so to be transferred for and on account of and in trust for the Transferee Company had the profits accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be and the Transferee Company shall not alienate, charge, or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of its business without the consent of the Transferee Company.
5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally take effect, shall be continued and enforced by or against the Transferee Company as the case may be.
6. Subject to the other provisions of this Scheme all contracts, deed, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before this scheme becomes finally effective shall be in full force and effect against or in favour of the

Transferee Company as the case may be and may be enforced as fully and effectually as if instead of the Transferor Company, the Transferee Company, had been a party thereto.

7. The authorised share capital of the Transferor Company is Rs. 10 Lakhs (Rupees Ten Lakhs) divided into 5,000 (Five Thousand) first preference shares of Rs. 10/- (Rupees Ten) each; 4,000 (Four Thousand) second preference shares of Rs. 10/- (Rupees Ten) each, 32,000 (Thirty Two Thousand) third preference shares of Rs. 10/- (Rupees Ten) each, 33,000 (Thirty three Thousand) 12% redeemable fourth preference shares of Rs. 10/- (Rupees Ten) each, 26,000 (Twenty six Thousand) equity shares of Rs. 10/- (Rupees Ten) each. The issued, subscribed and paid up capital of the Transferor Company is Rs. 6,70,000/- (Rupees Six Lakhs seven Thousand) consisting of Rs. 5,000/- (Five Thousand) first preference shares of Rs. 10/- (Rupees Ten) each, 4,000 (Four Thousand) second preference shares of Rs. 10/- (Rupees Ten) each, 32,000 (Thirty two Thousand) third preference shares of Rs. 10/- (Rupees Ten) each, 26,000 (Twenty Six Thousand) equity shares of Rs. 10/- (Rupees Ten) each, fully paid up.
8. The authorised share capital of the Transferee Company is Rs. 50 Lakhs (Rupees Fifty Lakhs) divided into 48,000 (Forty Eight Thousand) first preference shares of Rs. 10/- (Rupees Ten) each; 6,000 (Six Thousand) Second Preference Shares of Rs. 10/- (Rupees Ten) each, 20,000 (Twenty Thousand) 12% redeemable third preference shares of Rs. 10/- (Rupees Ten) each, 3,76,000 (Three Lakh Seventy six Thousand) equity shares of Rs. 10/- (Rupees Ten) each and 50,000 (Fifty Thousand) unclassified shares of Rs. 10/- (Rupees Ten) each. The paid capital of the Transferee Company is Rs. 15,80,000/- (Rupees Fifteen Lakhs eight Thousand) consisting of 48,000 (Forty eight Thousand) first preference shares of Rs. 10/- (Rupees Ten) each, 6,000 (Six Thousand) second preference shares of Rs. 10/- (Rupees Ten) each and 1,04,000 (One lakh four Thousand) equity shares of Rs. 10/- (Rupees Ten) each, fully paid up.
9. (a) In consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot (1) 5,000 (Five Thousand) preference shares of Rs. 10/- each against and in lieu of 5,000 (Five Thousand) first preference shares of Rs. 10/- each, having similar rights as these of 5,000 (Five Thousand) first preference shares of Rs. 10/- each of the Transferor Company, (2) 4,000 (Four Thousand) preference shares of Rs. 10/- each against and in lieu of 4,000 (Four Thousand) Second Preference shares of Rs. 10/- each having similar rights as those of 4,000 second preference shares of Rs. 10/- each of the Transferor Company, (3) 32,000 (Thirty two Thousand) preference shares of Rs. 10/- each against and in lieu of 32,000 (Thirty two Thousand) third preference shares of Rs. 10/- each having similar rights as those of 32,000 (Thirty two Thousand) third preference shares of Rs. 10/- of the Transferor Company, credited as fully paid up preference shares to the share holders of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company.
9. (b) The Transferee Company shall also issue and allot equity shares to the members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company in the following ratio, namely, 3 Equity shares of the face value of Rs. 10/-

(Rupees Ten) each in the Transferor Company to the members of the Transferor Company or their heirs, executors, administrators or other legal representatives or their successors in title as the case may be.

10. The Transferor Company shall not declare any dividend to its members for the year commencing from and after 1st July, 1984 without the consent in writing of the Transferee Company.
11. The Transferee Company shall take over all such employee if any, of the Transferor Company as are willing to join the Transferee Company, on the same terms on which they are employed by the Transferor Company and they shall be entitled to the benefits and perquisites to which they are entitled to as Employees of the Transferor Company even after the Scheme becomes finally effective. Their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes of the Provident Fund, Gratuity and other benefits but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company.
12. Kondivita Private Limited Superannuation Scheme formed under a Deed of Trust dated 12th March, 1979 shall merge with Parekh Dyechem Industries Private Limited Superannuation Scheme formed under a Deed of Trust dated 12th March, 1979.
13. On the Scheme becoming operative the Transferor Company shall be dissolved without winding up.
14. The Transferor Company and the Transferee Company, each shall with all reasonable despatch make application under Section 391 and 394 of the Companies Act, 1956 to the High Court in Bombay respectively for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up.
15. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or amendments of this Scheme of any conditions which the court may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the scheme and do all acts, deeds and things necessary for putting the scheme into effect.
16. For the purpose of giving effect to this scheme of Amalgamation or to any modification thereof the Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise in regard to the issue and allotment of shares and consolidation of fractional rights if any.
17. This Scheme is conditional on and subject to :
 - (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of the matters in respect of which such sanction or approval be required and requisite resolutions being passed.
 - (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High court on the applications made for directions for calling meetings and necessary resolutions being passed under the Companies Act, 1956 for the purpose.

- (c) The sanction of the high court under Section 391 and 394 of the Companies Act, 1956 on behalf of the Transferor Company and the Transferee Company being obtained.
18. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Court and/or the order or orders not being passed as before said before 31st December, 1985 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors this scheme shall become null and void and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.
19. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of this scheme shall be borne and paid by the Transferee Company alone.



CERTIFIED TO BE A TRUE COPY

This 15th Day of October, 1985

Sd/-

for Prothonotary and Senior Master

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 359 OF 1989

Connected with

COMPANY APPLICATION NO. 134 of 1989

In the matter of Companies Act, 1956

And

In the Matter of PDI Chemicals
Limited

And

In the Matter of Scheme of
Amalgamation of Pidilite Industries
Ltd. with the Petitioner Company

PDI Chemicals Limited, a deemed
Public Company under Section 43-A
of the Companies Act, 1956 and
having its Registered Office at Regent
Chambers, 7th Floor, 208 Nariman
Point, Bombay -400 021

CORAM :

Mrs. Sujata Manohar J.

Dated : 9th November, 1989.

UPON the Petition of PDI Chemicals Limited, the Petitioner Company abovenamed solemnly affirmed on the 16th day of June, 1989 and presented to this Hon'ble Court on the 17th day of June, 1989 for sanctioning of an arrangement embodied in the proposed scheme of amalgamation of Pidilite Industries Limited (hereinafter referred to as "the Transferor Company") with PDI Chemicals Limited the Petitioner Company abovenamed (hereinafter referred to as "the Transferee Company") and for consequential reliefs as mentioned in the said Petition and the said Petition being this date called for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Priyakant Chhotalal Patel solemnly affirmed on 16th day of June, 1989 verifying the said petition AND UPON PERUSING the issues of "Janmabhoomi" and "Free Press Journal" dated 7th July, 1989 and 8th July 1989 respectively, containing the advertisement of date of hearing of the said petition AND UPON READING the order dated 26th April, 1989 passed in the Company Application No. 134 of 1989 whereby convening of the meeting of the Equity Shareholders and 15% Preference Shareholders of the Transferee Company including notice to be advertised in the newspapers, filing of Chairman's Report, explanatory statement under Section 393 of the Companies Act, 1956 were dispensed with AND UPON HEARING Shri Rajesh Begur, Advocate instructed by M/s.Manilal Kher Ambalal & Co., Advocates for the Transferee Company and Mrs. Renu Masurkar, Advocate for the Regional Director, Company Law Board, Bombay and Shri P.T. Gajwani Deputy Official

Liquidator (Department of Company Affairs) high Court, Bombay who appeared in pursuant to the Notice under Section 394 A of the Companies Act, 1956 AND THIS COURT DOTH HEREBY SANCTION the arrangement embodied in the Scheme of Amalgamation of Pidilite Industries Limited, the Transferor Company with PDI Chemicals Limited, the Transferee Company as set forth in Exhibit 'D' with amendments as set out in Exhibit 'E' to the Petition and annexed as Schedule hereto AND THIS COURT DOTH HEREBY DECLARE the same to be binding on all the shareholders of the Transferee Company and also on the Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from 1st day of April, 1989 hereinafter called the "Appointed day". The entire undertaking of the Transferor Company viz. Pidilite Industries Limited, a deemed Public Company under section 43-A of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208 Nariman Point, Bombay -400 021 including all its properties, moveable and immoveable and assets of all types and nature such as leases, tenancy rights, licences, leave and licence agreements, investments including in subsidiary companies registrations with D.G.T.D. and industrial licences, permits, quotas, trademarks, patents, designs, import and export benefits other licences, telephones, telexes and fax, benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever all undertaking, properties, assets, interests, rights and powers shall without any further act or deed be and shall stand transferred to and vested in or be deemed to have been transferred to and vested in Transferee Company viz., PDI Chemicals Ltd. deemed public company under Section 43-A of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, Nariman Point, Bombay -400 021 AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to the section 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER all legal proceedings by or against the Transferor Company pending at the date on which the Scheme shall finally take effect shall be continued and enforced by or against the Transferee Company as the case may be AND THIS COURT DOTH HEREBY further order that subject to the order provisions of the scheme all contracts, deeds, bonds, agreements, and other instruments of whatsoever nature to which the Transferor Company is a party subsisting or having effect immediately before the scheme becomes finally effective shall be in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company, had been a party thereto, AND THIS COURT DOTH HEREBY FURTHER ORDER that in consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot 72,000 (Seventy Two Thousand) 15% preference share of Rs. 10/- (Rupees Ten) each against and in lieu of 72,000 (Seventy Thousand) 15% preference shares of Rs. 10/- (Rupees Ten) each having similar rights as those of 72,000 (Seventy Two Thousand) 15% preference shares of Rs. 10/- (Rupees Ten) each of the Transferor Company credited as fully paid up 15% preference shares to the shareholders of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company shall also issue and allot equity shares to the Members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company in the following ratio, namely 9 equity shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 2 equity shares of the face value of Rs. 10/- (Rupees Ten) each in Transferee Company to the Members of the Transferor Company or their heirs, executors, administrators or other legal representatives

or their successors in title as the case may be AND THIS COURT DOTH HEREBY FURTHER ORDER THAT from the date of filing of the certified copy of the Order sanctioning the Scheme of amalgamation with Registrar of company, Maharashtra Bombay for registration as hereafter contained the name of the Transferee Company namely PDI CHEMICALS LTD., shall stand changed to PIDILITE INDUSTRIES LTD. AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company do with in 30 days from the date of sealing of the order sanctioning the scheme of amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Bombay for registration and on such certified copy being so delivered and on dissolution of the Transferor Company without winding up the Registrar of Companies, Maharashtra, Bombay shall place all the documents and records relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH HEREBY FURTHER Order that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon'ble court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation sanctioned therein being Exhibit 'D' to the petition with amendments as set out in Exhibit 'E'; to the Petition and as set forth in the Schedule hereto AND THIS COURT DOTH HEREBY LASTLY ORDER that the Transferee Company do pay a sum of Rs. 300/- (Rupees Three Hundred) to the Regional Director, Company Law Board, Bombay, towards costs of the said Petition WITNESS SHRI CHITTATOSH MOOKERJEE, Chief Justice at Bombay aforesaid this 9th day of November, 1989.

SEAL

Sd/- G.L. Mestha

SEALER

By the Court

Sd/- G.L.Mestha

for Prothonotary & Senior Master,

This 25th day of January, 1990.

ORDER Sanctioning the Scheme of	}
Amalgamation under Section 391 to	}
394 of the Companies Act, 1956 drawn	}
on the Application of M/s.Manilal Kher	}
Ambalal & Co., Advocates for the	}
Petitioners, having their office at	}
Jehangir Wadia Bldg.,	}
51, M.G. Road, Fort,	}
Bombay -400 023.	}

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 395 OF 1989

CONNECTED WITH

COMPANY APPLICATION NO. 134 OF 1989

In the matter of Companies
Act, 1956

And

In the matter of PDI Chemicals Ltd.

And

In the matter of Scheme of
Amalgamation of Pidilite Industries
Ltd. With the Petitioner Company.

PDI Chemicals Limited Petitioner

CERTIFIED COPY OF
ORDER SANCTIONING THE SCHEME OF
AMALGAMATION UNDER SECTION 391 TO 394
OF THE COMPANIES ACT, 1956

Dated this 9th day of November, 1989

Filed this 25th day of January, 1990

Applied on : 08-01-1990

Engrossed on : 25-01-1990

Section Writer : Sd/-

Folios : 40

Examined by : Sd/-

Compared with : Sd/-

Ready on : 25-01-1990

Delivered on : 25-01-1990

M/s. Manilal Kher Ambalal & Co.
Advocates for the Petitioners,
Jehangir Wadia Building,
51 M.G. Road, Fort,
Bombay -400 023.

SCHEDULE
SCHEME OF AMALGAMATION OF
PIDILITE INDUSTRIES LIMITED
WITH
PDI CHEMICALS LIMITED

1. With effect from 1st day of April, 1989 (hereinafter called the “Appointment Day”) the entire undertaking of Pidilite Industries Limited, a deemed Public Company under Section 43-A of the Companies Act, 1956 and having its Registered office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208 Nariman Point, Bombay 400 021, (hereinafter called “the Transferor Company”) including all its properties, movable and immovable and assets of all types and nature such as leases, tenancy rights, licences, leave and licence agreements, investments including its subsidiary companies, registrations with D.G.T.D. and industrial licences, permits, quotas, trade mark, patents, designs, import and export benefits, other licences, telephones, telexes and fax, benefits, of all agreements and all other interests, rights, and power of every kind, nature and description whatsoever all which undertaking, properties, assets, interest rights and powers are hereinafter for brevity’s sake referred to as “the said Undertaking” shall without any further act or deed, be and shall stand transferred to and vested in PDI Chemicals Limited, a deemed Public Company under Section 43-A of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, Nariman Point, Bombay - 400 021, (hereinafter called “the Transferee Company”) pursuant to Section 394 of the Companies Act, 1956.
2. With effect from the Appointed Date all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to Section 394 of the Companies Act, 1956, so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company.
3. The Scheme, although effective from the Appointed day shall not become effective until the last of the following dates namely :
 - (a) that on which the last of the sanctions, approvals, permissions, resolutions and orders specified in clause 18 of the scheme are obtained or passed; and
 - (b) that on which all necessary certified copies of the Courts; order under Section 391 and 394 of the Act shall be duly filed with the Registrar of companies.

The last such date shall be the “Effective Day” for the purpose of this scheme.

4. With effect from the Appointed Day and upto the date on which this Scheme finally takes effect, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of all properties so to be transferred for and on account of and in trust for the Transferee Company and the profits accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be and the Transferor Company shall not alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of its business with the consent of the Transferee Company.

5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally take effect, shall be continued and enforced by or against the Transferee Company as the case may be.
6. Subject to the other provisions of this Scheme all contracts, deed, bonds, agreements and other instruments of whatsoever nature to which the Transferor Company is a party, subsisting or having effect immediately before this scheme becomes finally effective shall be in full force and effect against or in favour of the Transferee Company as the case may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company, had been a party thereto.
7. The authorised Share Capital of the Transferor Company is Rs. 50 Lakhs (Rupees Fifty Lakhs) divided into 72,000 (Seventy two Thousand) 15% preference shares of Rs. 10/- (Rupees Ten) each; 35,000 (Thirty Five Thousand) 15% Redeemable preference shares of Rs. 10/- (Rupees Ten) each; and 3,93,000 (Three Lakh Ninety Three Thousand) Equity shares of Rs. 10/- (Rupees Ten) each. The issued, subscribed and paid up capital of the Transferor Company is Rs. 11,50,000/- (Rupees Eleven Lakhs fifty Thousand) consisting of 72,000 (Seventy Two Thousand) 15% preference shares of Rs. 10/- (Rupees Ten) each and 43,000 (Forty three Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each; fully paid up.
8. The authorised share capital of the Transferee Company is Rs. 50 Lakhs (Rupees Fifty Lakhs) divided into 95,000 (Ninety Five Thousand) 1% preference shares of Rs. 10/- (Rupees Ten) each, 20,000 (Twenty Thousand) 15% Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each and 3,76,000 (Three Lakh Seventy Six Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each and 9,000 (Nine Thousand) unclassified shares of Rs. 10/- (Rupees Ten) each. The issued, subscribed and paid up capital of the Transferee Company is Rs. 21,85,000/- (Rupees Twenty one Lakhs Eighty Five Thousand), consisting of 95,000 (Ninety Five Thousand) 15% preference shares of Rs. 10/- (Rupees Ten) each; and 1,23,500 (One Lakh Twenty Three Five hundred) equity shares of Rs. 10/- (Rupees Ten) each; fully paid up.
9.
 - (a) In consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the scheme, the Transferee Company shall issue and allot 72,000 (Seventy Two Thousand) 15% Preference Shares of Rs. 10/- each against and in lieu of 72,000 (Seventy Two Thousand) 15% Preference Shares of Rs. 10/- each, having similar rights as these of 72,000 (Seven Two Thousand) 15% Preference Shares of Rs. 10/- each of the Transferor Company, credited as fully paid up 15% preference shares to the shareholders of the Transferor Company whose or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company.
 - (b) The Transferee Company shall also issue and allot equity shares to the members of the Transferor Company whose name are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company in the following ratio, namely, 9 Equity shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 2 Equity Shares of the face value of Rs. 10/- (Rupees Ten) each in the Transferor Company to the members of the Transferor Company or their heirs, executors, administrators or other legal representatives of their successors in title as the case may be.

- (c) No fractional certificate shall be issued by the Transferee Company in respect of the fractional rights to which the members of the Transferor Company may be entitled to on issue and allotment of the shares by the Transferee Company as aforesaid. The Directors of the Transferee Company shall in their discretion be entitled to either ignore the fractions if any or issue share or shares in lieu thereof as they may in their discretion decide.
 - (d) The Equity shares of Rs. 10/- (Rupees Ten) each in the capital of the Transferee Company to be allotted pursuant to sub-clause (b) hereof shall rank for dividend, voting rights and in all respect *pari passu* with the existing Equity shares of the Transferee Company save and except that in respect of the dividend that may be declared for the ensuing financial year of the Transferee Company the holders of the said Equity shares shall be entitled to receive a proportionate amount of such dividend for the relevant year and so that the apportioned amount of such dividend payable on each such Equity shares for that financial year shall bear the same proportion as the proportion of the period commencing from the appointed day shall bear to the whole of the said financial year PROVIDED THAT ANY SUCH dividend payable on the said Equity shares in the capital of the Transferee Company shall become due and payable only after the scheme becomes effective and binding in terms hereof.
- 10. The Transferor Company shall not declare any dividend to its members for the year commencing from and after 1st July, 1989 without the consent in writing of the Transferee Company.
 - 11. The Transferee Company shall take over all such employees if any, of the Transferor Company, as are willing to join the Transferee Company on the same terms on which they are employed by the Transferor Company and they shall be entitled to the benefits and perquisites to which they are entitled to as Employees of the Transferor Company even after the scheme becomes finally effective. Their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes of the provident fund, Gratuity and other benefits but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company.
 - 12. Pidilite Industries Limited (Formerly Private Limited) superannuation, scheme formed under a Deed of Trust dated 25th July, 1984 shall merge with PDI CHEMICALS LIMITED (formerly Private Limited) superannuation scheme formed under a Deed of Trust dated 12th March, 1979.
 - 13. On the Scheme of Amalgamation becoming effective and operative as provided for herein the name of Transferee Company namely PDI Chemicals Limited shall stand changed to Pidilite Industries Limited.
 - 14. On the Scheme becoming operative the Transferor Company shall be dissolved without winding up.
 - 15. The Transferor Company and the Transferee Company, each shall with all reasonable despatch make application under Section 391 and 394 of the Companies Act, 1956 to the High Court in Bombay respectively for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up.
 - 16. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or

amendments of this Scheme or of any conditions which the court may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect.

17. For the purpose of giving effect to this Scheme of Amalgamation or to any modification thereof the Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any questions of doubt or difficulty that may arise in regard to the issue and allotment of shares and consolidation of fractional rights if any.
18. This Scheme is conditional on and subject to :
 - (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of the matters in respect of which such sanction or approval be required and requisite resolutions being passed.
 - (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High Court on the applications made for directions for calling meetings and necessary resolutions being passed under the Companies Act, 1956 for the purpose.
 - (c) The sanction of the High Court under Section 391 and 394 of the Companies Act, 1956 on behalf of the Transferor Company and the Transferee Company being obtained.
 - (d) The requisite sanction or approval, if any, of the Controller of Capital Issue under the Capital Issues Control Act, 1947;
 - (e) The necessary resolution by the Transferee Company under Section 81 or any other provisions of the Companies Act, 1956
 - (f) Approvals of the financial institutions/banks under the loan agreements/ security documents executed by the Transferee Company and the Transferor Company.
19. In the event of any of the said sanctions and approval not being obtained and/or the scheme not being sanctioned by the Court and/or the order or orders not being passed as aforesaid before 31st December, 1989 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors, this Scheme shall accrue to or be incurred inter set to or by the parties or any of the them and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.
20. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company alone.



CERTIFIED TO BE A TRUE COPY

This 25th Day of January, 1990

Sd/-

for **Prothonotary and Senior Master**

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 170 OF 1992

Connected with

COMPANY APPLICATION NO. 114 of 1992

In the matter of Companies Act, 1956

And

In the Matter of Pidilite Industries
Limited

And

In the Matter of Scheme of
Amalgamation of Triveni Chemicals
LIMITED with the Petitioner.

Pidilite Industries Limited, a deemed Public	}	
Company under Section 43-A of the	}	
Companies Act, 1956 and having its	}	
Registered Office at	}	
Regent Chambers, 7th Floor,	}	
Jamnalal Bajaj Marg, 208 Nariman	}	
Point, Bombay -400 021.	}	 Petitioners

CORAM : Jhunjhunwala J.

Dated : 26th August, 1992.

UPON the Petition of Pidilite Industries Limited, the Petitioner abovenamed, solemnly affirmed on the 1st day of April, 1992 and presented to this Hon'ble Court on the 1st day of April, 1992 for sanctioning the proposed scheme of amalgamation of Triveni Chemicals Limited (hereinafter referred to as "the Transferor Company") with Pidilite Industries Limited, the Petitioner Company abovenamed (hereinafter referred to as "the Transferee Company") and for consequential reliefs as mentioned in the said Petition and the said Petition being this day called for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Priyakant Chhotalal Patel solemnly affirmed on 1st day of April, 1992 verifying the said Petition AND UPON PERUSING the issue of "Mumbai Samachar" dated 24th April, 1992 and "Indian Express" dated 25th April, 1992 both containing the advertisement of the date of hearing of the said Petition AND UPON READING the order dated 18th March, 1992 passed in the Company Application No. 114 of 1992 whereby convening of the meeting of the Equity Shareholders and 15% Preference Shareholders of the Transferee Company including notice to be advertised in the newspapers, filing of Chairman's Report, Explanatory statement under Section 393 of the Companies Act, 1956 were dispensed with AND UPON HEARING SHRI VIKRAM B. TRIVEDI, Advocate instructed by M/s. Manilal Kher Ambalal & Co., Advocates for the Transferor Company and Mrs. Neeta Masurkar, Panel Counsel for the Regional Director, Department of Company Affairs Bombay who appeared in pursuant of the Notice under

Section 394-A of the Companies Act, 1956 AND THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation of Triveni Chemicals Limited, the Transferor Company with Pidilite Industries Limited, the Transferee Company as set forth in Exhibit 'B' to the Petition and also annexed as Schedule hereto AND THIS COURT DOTH HEREBY DECLARE the same to be binding on all the shareholders of the Transferor Company and also on the Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from 1st day of April, 1992 (hereinafter called the "Appointed Day") the entire undertaking of TRIVENI CHEMICALS LIMITED, a deemed Public Company under Section 43-A of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208 Nariman Point, Bombay - 400021 (hereafter called "the Transferor Company") including all its properties, moveable and immoveable and assets of all types and nature such as leases, Plot No. 74 and 74/1 at GIDC, Vapi under lease from Gujarat Industrial Development Corporation, tenancy rights, licences, leave and licence agreements, investments, registrations with D.G.T.D. and Industrial licences, permits, quotas, trade mark, patents, designs, import and export benefits, Exim scrips, other licences, telephones, telexes and fax, benefits of all agreements and all other interests, rights and power of every kind, nature and description whatsoever, all such undertaking, properties, assets, interests, rights and powers etc. and hereinafter for brevity's sake referred to as "the said Undertaking" shall without any further act or deed, be and shall stand transferred to and vested in or be deemed to have been transferred to and vested in PIDILITE INDUSTRIES LIMITED, a deemed Public Company under Section 43-A of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, Nariman Point, Bombay - 400 021 (hereinafter called the "the Transferee Company") pursuant to Section 394 of the Companies Act, 1956 AND THIS COURT DOTH HEREBY FURTHER ORDER that with effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company, shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to the Section 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that all legal proceedings by or against the Transferor Company pending at the date on which the Scheme shall finally take effect, shall be continued and enforced by or against the Transferee Company as the case may be AND THIS COURT DOTH HEREBY FURTHER ORDER that subject to the other provisions of the scheme all contracts, deeds, bonds, agreements, and other instruments of whatsoever nature subsisting or having effect immediately before the Scheme becomes finally operative, to which the Transferor Company is a party, shall be in full force and effect against or in favour of the Transferee Company as the case may be, and enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company, had been a party thereto AND THIS COURT DOTH HEREBY FURTHER ORDER that in consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot 40,000 (Forty Thousand) 15% Preference Shares of Rs. 10/- (Rupees Ten) each against and in lieu of 900 (Nine Hundred) 15% Non-Cumulative First Preference Shares of Rs. 100/- (Rupees One Hundred) each and 3100 (Three Thousand One Hundred) 15% Redeemable Second Preference Shares of Rs. 100/- (Rupees One Hundred) each having rights/obligations as narrated in the scheme credited as fully paid up 15% Preference Shares to the shareholders of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company shall also issue and allot Equity Shares to the members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company in the

ratio, namely 200 Equity Shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 17 Equity Shares of the face value of Rs. 100/- (Rupees One Hundred) each in Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that no fractional certificate shall be issued by the Transferee Company in respect of the fractional rights to which the members of the Transferor Company may be entitled to on issue and allotment of the shares by the Transferee Company as aforesaid and the Directors of the Transferee Company shall in their discretion be entitled to either ignore the fraction if any or issue share or shares in lieu thereof as they may in their discretion decide AND THIS COURT DOTH HEREBY FURTHER ORDER that the Equity Shares of Rs. 10/- (Rupees Ten) each in the capital of the Transferee Company to be allotted pursuant to the Clause 9, sub-clause (b) of the Scheme shall rank for dividend, voting rights and in all respect pari passu with the existing Equity Shares of the Transferee Company PROVIDED THAT ANY SUCH dividend payable on the said Equity Shares in the Capital of the Transferee Company shall become due and payable only after the Scheme becomes effective and binding in terms hereof AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferor Company shall not declare any dividends to its members for the year commencing from and after 1st April, 1992 without the consent in writing of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company shall take over all such employees if any, of the Transferor Company as are willing to join the Transferee Company, on the same terms on which they are employed by the Transferor Company and they shall be entitled to the benefits and perquisites to which they were entitled to as Employees of the Transferor Company even after the Scheme becomes finally effective and their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes of the provident fund, gratuity, superannuation and other benefits but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that Triveni Chemicals LIMITED Employees Group Gratuity-cum-life Assurance Scheme formed under a Deed of Trust dated 25th July, 1984 shall merge with Pidilite Industries LIMITED and Associate Concerns' Employees' Group Gratuity-cum-Life Assurance Scheme formed under a deed of Trust dated 24th May, 1971 AND THIS COURT DOTH HEREBY FURTHER ORDER that on the Scheme becoming operative the Transferor Company shall be dissolved without winding up AND THIS COURT DOTH HEREBY FURTHER ORDER that for the purpose of giving effect to the Scheme of Amalgamation or to any modification thereof the directors of the Transferee Company may give and are authorised; to give such directions including directions for settling any questions or doubt or difficulty that may arise in regard to the issue and allotment of shares and consolidation of fractional rights if any AND THIS COURT DOTH HEREBY FURTHER ORDER that all costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of the Scheme shall be borne and paid by the Transferee Company alone AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company do within 30 days of the sealing of the order sanctioning the Scheme of Amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Bombay for registration and on such certified copy being so delivered and on dissolution of the Transferor Company without winding up the Registrar of Companies, Maharashtra, Bombay shall place all the documents and records relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH HEREBY FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of AMALGAMATION AND THIS COURT

DOTH HEREBY LASTLY ORDER that the Transferor Company do pay a sum of Rs. 500/- (Rupees Five Hundred) to the Regional Director, Department of Company Affairs, Bombay towards costs of the said Petition WITNESS SHRI PRABODH KINKARRAO DESAI, Chief Justice at Bombay, aforesaid this 28th day of August, 1992.

SEAL

Sd/- R. G. Deorukhakar

By the Court

SEALER

This 13th day of October, 1992

Sd/-
R. G. DEO RUKHAKAR
for PROTHONOTARY & SENIOR MASTER,

ORDER Sanctioning the Scheme of	}
Amalgamation under Section 391 to	}
394 of the Companies Act, 1956 drawn	}
on the Application of M/s. Manilal Kher	}
Ambalal & Co., Advocates for the	}
Petitioners, having their office at	}
Jehangir Wadia Bldg.,	}
51, Mahatma Gandhi Road, Fort,	}
Bombay -400 023.	}

S C H E D U L E

SCHEME OF AMALGAMATION OF

TRIVENI CHEMICALS LIMITED

WITH

PIDILITE INDUSTRIES LIMITED

1. With effect from 1st day of April, 1992 (hereinafter called the “Appointed Day”) the entire undertaking of TRIVENI CHEMICALS LIMITED, a deemed Public Company under Section 43-A of the Companies Act, 1956 and having its Registered office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208 Nariman Point, Bombay 400 021 (hereinafter called “the Transferor Company”) including all its properties, movable and immovable and assets of all types and nature such as leases, Plot Nos. 74 and 74/1 at GIDC Vapi under lease from Gujarat Industrial Development Corporation, tenancy rights, licences, leave and licence agreements, investments, registrations with D.G.T.D. and Industrial licences, permits, quotas, trade mark, patents, designs, import and export benefits, Exim scrips, other licences, telephones, telexes and fax, benefits of all agreements, and all other interests, rights, and power of every kind, nature and description whatsoever, all such undertaking, properties, assets, interest, rights and powers etc. and hereinafter for brevity’s sake referred to as “the said Undertaking” shall without any further act or deed, be and shall stand transferred to and vested in PDI Industries Limited, a deemed Public Company under Section 43-A of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, Nariman Point, Bombay - 400 021, (hereinafter called “the Transferee Company”) pursuant to Section 394 of the Companies Act, 1956.
2. With effect from the Appointed Day all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to Section 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company.
3. This Scheme, although effective from the Appointed day shall not become operative until the last of the following dates namely :
 - (a) that on which the last of the sanctions, approvals, permissions, resolutions and orders specified in clause 17 of the Scheme are obtained or passed; and
 - (b) that on which all necessary certified copies of the Courts order under Section 391 and 394 of the Act shall be duly filed with the Registrar of companies.

The last such dates shall be the “Operative Day” for the purpose of this Scheme.

4. With effect from the Appointed Day and upto the date on which this Scheme finally becomes operative, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of all properties so to be transferred for and on account of and in trust for the Transferee Company and the profits accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be and the Transferor Company shall not alienate, charge or otherwise

deal with the said Undertaking or any part thereof except in the ordinary course of its business with the consent of the Transferee Company.

5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be.
6. Subject to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature subsisting or having effect immediately before this Scheme becomes finally operative, to which the Transferor Company is a party, shall be in full force and effect against or in favour of the Transferee Company as the case may be, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company, had been a party thereto.
7. The Authorised Share Capital of the Transferor Company is Rs. 30 Lakhs (Rupees Thirty Lakhs) divided into 5,000 (Five Thousand) 15% Non Cumulative First Preference Shares of Rs. 100/- (Rupees One Hundred) each, 5,000 (Five Thousand) 15% Redeemable Second Preference Shares of Rs. 100/- (Rupees One Hundred) each, 5,000 (Five Thousand) Unclassified Shares of Rs. 100/- (Rupees One hundred) each and 15,000 (Fifteen Thousand) Equity Shares of Rs. 100/- (Rupees One hundred) each. The issued, subscribed and paid up capital of the Transferor Company is Rs. 11,70,000/- (Rupees Eleven Lakhs Seventy Thousand) consisting of 900 (Nine Hundred) 15% Non-Cumulative First Preference Shares of Rs. 100/- (Rupees One Hundred) each, 3100 (Three Thousand One Hundred) 15% Redeemable Second Preference Shares of Rs. 100/- (Rupees One Hundred) each; and 7,700 (Seven Thousand Seven Hundred) Equity Shares of Rs. 100/- (Rupees One Hundred) each fully paid up.
8. The Authorised Share Capital of the Transferee Company is Rs. 100 Lakhs (Rupees One Hundred Lakhs) divided into 1,70,000 (One Lakh Seventy Thousand) 15% Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each, 20,000 (Twenty Thousand) 15% Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each and 3,76,000 (Three Lakh Seventy Six Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each and 4,34,000 (Four Lakh Thirty Four Thousand) Unclassified Shares of Rs. 10/- (Rupees Ten) each. The issued, subscribed and paid up capital of the Transferee Company is Rs. 48,40,000/- (Rupees Forty Eight Lakhs Forty Thousand), consisting of 1,67,000 (One Lakh Sixty Seven Thousand) 15% Preference Shares of Rs. 10/- (Rupees Ten) each and 3,17,000 (Three Lakh Seventeen Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each fully paid up.
9. (a) In consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot 40,000 (Forty Thousand) 15% Preference Shares of Rs. 10/- (Rupees Ten) each against and in lieu of 900 (Nine Hundred) 15% Non Cumulative First Preference Shares of Rs. 100/- (Rupees One hundred) each and 3,100 (Three Thousand One Hundred) 15% Redeemable Second Preference Shares of Rs. 100/- (Rupees One hundred) each having rights/obligations as narrated hereunder credited as fully paid up 15% Preference Shares to the Shareholders of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company.

The said 40,000 15% Preference Shares of Rs. 10/- each shall have the following rights and obligations :

- (i) The profits of the company which Directors from time to time determine to distribute as dividend shall be applied first in payment of fixed Non-Cumulative Preferential dividend @ 15% per annum subject to Income-tax on the Preference Shares according to the amounts paid-up thereon.
 - (ii) In a winding up the assets of the company (including capital uncalled at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the company and the cost of winding up shall be applied first in repayment of capital paid up or credited as paid up on the 15% Preference Shares.
 - (iii) These shares will be redeemed on or before 15-06-1993 and company shall give notice in writing of its intention to redeem the said shares and fix a time and place for the redemption and surrender of the certificates of the shares to be redeemed. At the time and place so fixed each holder of the said shares shall be bound to surrender to the company the certificates or certificate for his shares to be redeemed and the company shall pay to him the amount payable in respect of such redemption.
 - (iv) These shares shall carry Voting Rights in accordance with the provisions of Section 87 of the Companies Act, 1956.
- (b) The Transferee Company shall also issue and allot Equity Shares to the members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company in the following ratio, namely, 200 Equity shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 17 Equity Shares of the face value of Rs. 100/- (Rupees One Hundred) each in the Transferor Company to the members of the Transferor Company or their heirs, executors, administrators or other legal representatives of their successors in title as the case may be.
- (c) No fractional certificate shall be issued by the Transferee Company in respect of the fractional rights to which the members of the Transferor Company may be entitled to on issue and allotment of the shares by the Transferee Company as aforesaid. The Directors of the Transferee Company shall in their discretion be entitled to either ignore the fractions if any or issue share or shares in lieu thereof as they may in their discretion decide.
- (d) The Equity shares of Rs. 10/- (Rupees Ten) each in the capital of the Transferee Company to be allotted pursuant to sub-clause (b) hereof shall rank for dividend, voting rights and in all respect pari passu with the existing Equity shares of the Transferee Company PROVIDED THAT ANY SUCH dividend payable on the said Equity Shares in the Capital of the Transferee Company shall become due and payable only after the Scheme become effective and binding in terms hereof.

10. The Transferor Company shall not declare any dividend to its members for the year commencing from and after 1st April, 1992 without the consent in writing of the Transferee Company.
11. The Transferee Company shall take over all such employees if any, of the Transferor Company, as are willing to join the Transferee Company, on the same terms on which they are employed by the Transferor Company and they shall be entitled to the benefits and perquisites to which they are entitled to as Employees of the Transferor Company even after the Scheme becomes finally effective. Their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes of the provident fund, Gratuity, Superannuation and other benefits but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company.
12. Triveni Chemicals Ltd. Employees Group Gratuity-cum-Life Assurance Scheme formed under a Deed of Trust dated 25th July, 1984 shall merge with Pidilite Industries Limited and Associate concerns Employees Group Gratuity-cum-Life Assurance Scheme formed under a Deed of Trust dated 24th May, 1971.
13. On the Scheme becoming operative the Transferor Company shall be dissolved without winding up.
14. The Transferor Company and the Transferee Company, each shall with all reasonable dispatch make application under Section 391 and 394 of the Companies Act, 1956 to the High Court in Bombay respectively for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up.
15. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or amendments of this Scheme or of any conditions which the Court may deem fit to approve of or impose and solve all difficulties that may rise for carrying out the scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
16. For the purpose of giving effect to this Scheme of Amalgamation or to any modification thereof the Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any questions of doubt or difficulty that may arise in regard to the issue and allotment of shares and consolidation of fractional rights if any.

On the amalgamation of Transferor Company with the Transferee Company becoming operative, the Transferee Company through its Directors shall be competent to carry out all such acts and powers as the Directors of Transferor Company were competent to do including preparation of Accounts of the Transferor Company for the year ending 31-03-1992, Directors' Report, recommendation/ declaration of dividend, filing of Annual Returns and all other related matters. The Annual General Meeting of the Shareholders of Transferee Company will be competent to adopt the accounts of the Transferor Company for the year ending 31-03-1992.

17. The Scheme is conditional on and subject to :
 - (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of the matters in respect of which such sanction or approval be required and requisite resolutions being passed.

- (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High Court on the applications made for directions for calling meetings and necessary resolutions being passed under the Companies Act, 1956 for the purpose.
 - (c) The sanction of the High Court under Section 391 and 394 of the Companies Act, 1956 on behalf of the Transferor Company and the Transferee Company being obtained.
 - (d) The requisite sanction or approval, if any, of the Controller of Capital Issues under the Capital Issues Control Act, 1947;
 - (e) The necessary resolution by the Transferee Company under Section 81 or any other provisions of the Companies Act, 1956.
 - (f) Approvals of the financial institutions/banks under the loan agreements/ security documents executed by the Transferee Company and the Transferor Company.
18. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Court and/or the Order or Orders not being passed as aforesaid before 31st December, 1992 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred intense to or by the parties or any of them and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.
19. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company alone.



CERTIFIED TO BE A TRUE COPY

This 19th Day of October, 1992

Sd/-

for **Prothonotary & Senior Master**

HIGH COURT

O.O.C.J.

COMPANY PETITION NO. 170 OF 1992

Connected with

COMPANY APPLICATION NO. 114 OF 1992

In the matter of Companies Act, 1956;
etc.

And

In the matter of Pidilite Industries
Limited

And

In the matter of Scheme of
Amalgamation of the Petitioner
Company with Triveni Chemicals
Limited

Pidilite Industries Limited .. Petitioner

ORDER SANCTIONING THE
SCHEME OF AMALGAMATION
UNDER SECTION 391 TO 394 OF
THE COMPANIES ACT, 1956

.....

Dated this 26th Day of August, 1992

Filed this 13th day of October, 1992

Applied on : 17-10-1992
Engrossed on : 19-10-1992
Section Writer : Sd/-
Folios : 21 Pages
Examined by : Sd/-
Compared with : Sd/-
Ready on : 19-10-1992
Delivered on : 19-10-1992

M/s. Manilal Kher Ambalal & Co.
Advocates for the Petitioner,
Jehangir Wadia Building,
51 Mahatma Gandhi Road, Fort,
Bombay - 400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 130 OF 1995

Connected with

COMPANY APPLICATION NO. 7 of 1995

In the matter of Companies Act, 1956

And

In the Matter of Pidilite Industries
Limited

And

In the Matter of Scheme of
Amalgamation of Apuraj Chemicals
Limited with the Petitioner Company

Pidilite Industries Limited, a Public Limited	}	
Company registered under the provisions	}	
of the Companies Act, 1956 and having its	}	
Registered Office at	}	
Regent Chambers, 7th Floor,	}	
Jamnalal Bajaj Marg, Nariman Point,	}	
Bombay -400 021.	}	 Petitioner,

CORAM : A. P. Shah J.

Date : 23rd June, 1995.

UPON the petition of Pidilite Industries Limited, the Petitioner abovenamed solemnly affirmed on 13th day of March, 1995 and presented to this Hon'ble Court on the 13th day of March, 1995 for sanctioning the proposed Scheme of Amalgamation of Apuraj Chemicals Limited, (hereinafter referred to as "the Transferor Company") with Pidilite Industries Limited, the Petitioner Company abovenamed (hereinafter referred to as "the Transferee Company") and for consequential reliefs as mentioned in the said Petition and the said Petition being this date called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Priyakant Chhotalal Patel solemnly affirmed on 13th day of March, 1995 verifying the said Petition AND UPON PERUSING the issues of Indian Express and Bombay Samachar dated 25th March, 1995 and 24th March, 1995 respectively containing the advertisement of the date of hearing of the said petition AND UPON READING the order dated 11th January, 1995 passed in Company Application No. 7 of 1995 whereby the Transferee Company was ordered to convene a meeting of its Equity Shareholders of the Transferee Company for the purpose of considering and if thought fit approving with or without modifications the Scheme of Amalgamation to be made between the Transferor Company and the Transferee Company

AND UPON HEARING the two affidavits of Balwantray Kalyanji Parekh both dated 17th February, 1995 proving publication and despatch of the notices convening the said meeting AND UPON READING the report of the Chairman of the said meeting dated 7th March, 1995 inter alia stating that the proposed Scheme of Amalgamation has been unanimously approved by the Equity Shareholders AND UPON HEARING Shri Vikram B. Trivedi, with Mrs. Rahimtoola, Advocate instructed by M/s. Manilal Kher Ambalal & Co., Advocates for the Transferee Company and R.C. Master, Panel Counsel for the Regional Director, Department of Company Affairs, Bombay who appeared in pursuance of the Notice under Section 394-A of the Companies Act, 1956 and submits to the Orders of the court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either to support the said Petition or to show cause against the said Petition THIS COURT DOETH HEREBY SANCTION the Scheme of Amalgamation of Apuraj Chemicals Limited the Transferor Company with Pidilite Industries Limited, the Transferee Company as set forth in Exhibit 'B' to the Petition and also annexed as Schedule hereto AND THIS COURT DOETH HEREBY DECLARE the same to be binding on all the shareholders of the Transferee Company and also on the Transferor Company AND THIS COURT DOETH HEREBY FURTHER ORDER THAT with effect from 1st day of April, 1994 (hereinafter called the "Appointed Day") the entire undertaking of the Transferor Company i.e. Apuraj Chemicals Limited deemed public limited company registered under the provisions of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208 Nariman Point, Bombay - 400021 including all its properties, moveable and immovable and assets of all types and nature such as leases, its factory premises situated at Plot No. 25, 26, 39 and 40, Jawahar Co-operative Industrial Estate, Kamathe (Panvel), District Raigad under lease from Maharashtra Industrial Development Corporation, tenancy rights, licences, leave and licence agreements, investments, registrations with D.G.T.D. and Industrial licences, permits, quotas, trade mark, patents, designs, technical know-how, import and export benefits, other licences, telephones, telexes and fax benefits of all agreements and all other interests, rights and power of every kind, nature and description whatsoever, all such undertaking, properties, assets, interest, rights and powers etc. and hereinafter for brevity's sake referred to as "the said Undertaking" shall without any further act or deed, be and shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company i.e. PIDILITE INDUSTRIES LIMITED, a Public Limited Company registered under the provisions of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, Nariman Point, Bombay - 400 021 pursuant to Section 394 of the Companies Act, 1956 AND THIS COURT DOETH HEREBY FURTHER ORDER THAT with effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to the Section 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOETH HEREBY FURTHER ORDER that all legal proceedings by or against the Transferor Company pending at the date on which the Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be AND THIS COURT DOETH HEREBY FURTHER ORDER that subject to the other provisions of the Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature subsisting or having effect immediately before the Scheme becomes finally operative, to which the Transferor Company is a party shall be in full force and effect against or in favour of the Transferee Company as the case may be, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto AND THIS COURT DOETH HEREBY FURTHER ORDER that in consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot Equity Shares to the members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be

recognised by the Board of Directors of the Transferee Company in the following ratio, namely 5 (Five) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 3 (Three) Equity Shares of the face value of Rs. 100/- (Rupees One Hundred) each in Transferor Company to the members of the Transferor Company or their heirs, executors, administrators or other legal representatives or their successors in title as the case may be and in this way, Transferee Company shall issue and allot total 66,000 (Sixty Six Thousand) Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each at par credited as fully paid up to members of the Transferor Company or their heirs, executors, administrators or other legal representatives of their successors in title as the case may be, for 39,600 (Thirty Nine Thousand Six Hundred) Equity Shares of the face value of Rs. 100/- (Rupees One Hundred) each held by them in Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that no fractional certificate shall be issued by the Transferee Company in respect of the fractional rights to which the members of the Transferor Company may be entitled to on issue and allotment of the shares by the Transferee Company as aforesaid and the Directors of the Transferee Company shall in their discretion be entitled to either ignore the fractions if any or issue share or shares in lieu thereof as they may in their discretion decide AND THIS COURT DOTH HEREBY FURTHER ORDER that the Equity Shares of Rs. 10/- (Rupees Ten) each in the capital of the Transferee Company to be allotted pursuant to the sub-clause 9(a) of the Scheme shall rank for dividend, voting rights and in all respect pari passu with the existing Equity Shares of the Transferee Company, PROVIDED THAT ANY SUCH dividend payable on the said Equity Shares in the Capital of the Transferee Company shall become due and payable only after the Scheme becomes effective and binding in terms hereof AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company shall take over all such employees if any, of the Transferor Company as are willing to join the Transferee Company, on the same terms on which they are employed by the Transferor Company and they shall be entitled to the benefits and perquisites to which they were entitled to as Employees of the Transferor Company even after the Scheme becomes finally effective and their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes of the Provident fund, Gratuity, Superannuation and other benefits but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that Apuraj Chemicals Pvt. Ltd. Employees Group Gratuity-cum-life Assurance Scheme formed under a Deed of Trust dated 31st March, 1988 shall merge with Pidilite Industries Limited and Associate Concerns' Employees' Group Gratuity-cum-Life Assurance Scheme formed under a Deed of Trust dated 24th May, 1991 AND THIS COURT DOTH HEREBY FURTHER ORDER that Apuraj Chemicals Pvt. Ltd. Employees Superannuation Scheme formed under a Deed of Trust dated 27th June, 1987 shall merge with Pidilite Industries Limited Superannuation Scheme formed under a Deed of Trust dated 12th March, 1979 AND THIS COURT DOTH HEREBY FURTHER ORDER that for the purpose of giving effect to the Scheme of Amalgamation or to any modification thereof of the directors of the Transferee Company may give and are authorised to give such directions including directions for settling any questions or doubt or difficulty that may arise in regard to the issue and allotment of shares and consolidation of fractional rights if any AND THIS COURT DOTH HEREBY FURTHER ORDER that all costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with the Scheme and of carrying out and completing the terms and provisions of the Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of the Scheme shall be borne and paid by the Transferee Company alone AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company do within 30 days of the sealing of the order sanctioning the Scheme of Amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Bombay for registration and on such certified copy of order being so delivered, the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra,

Bombay shall place all the documents and records relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH HEREBY FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation AND THIS COURT DOTH HEREBY LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 500/- (Rupees Five Hundred only) to the Regional Director, Department of Company Affairs, Bombay towards costs of the said Petition WITNESS SHRI MADHAV LAXMAN PENDSE, the Acting Chief Justice at Bombay, aforesaid this 23rd day of June, 1995.

SEAL

By the Court

Sd/- U. G. Mukadam

Sd/- U. G. Mukadam

This 7th day of July, 1995

For PROTHONOTARY & SENIOR MASTER

ORDER Sanctioning the Scheme of	}
Amalgamation under Section 391 to	}
394 of the Companies Act, 1956 drawn	}
on the Application of M/s. Manilal Kher	}
Ambalal & Co., Advocates for the	}
Petitioners, having their office at	}
Jehangir Wadia Bldg.,	}
51, Mahatma Gandhi Road, Fort,	}
Bombay -400 023.	}

SCHEDULE

SCHEME OF AMALGAMATION OF

APURAJ CHEMICALS LIMITED

WITH

PIDILITE INDUSTRIES LIMITED

1. With effect from 1st day of April, 1994 (hereinafter called the “Appointed Day”) the entire undertaking of APURAJ CHEMICALS LIMITED, a deemed Public Company under registered under the provisions of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208 Nariman Point, Bombay 400 021 (hereinafter called “the Transferor Company”) including all its properties, movable and immovable and assets of all types and nature such as leases, its factory premises situated at Plot NO. 25, 26 39 and 40, Jawahar Co-op. Industrial Estate, Kamothe, (Panvel), Dist. - Raigad under lease from Maharashtra Industrial Development Corporation, tenancy rights, Licences, leave and licence agreements, investments, registrations with D.G.T.D. and Industrial Licences, permits, quotas, trade mark, patents, designs, technical know-how, import and export benefits, other licences, telephones, telexes and fax, benefits of all agreements and all other interests, rights, and power of every kind, nature and description whatsoever, all such undertaking, properties, assets, interest, rights and powers etc. and hereinafter for brevity’s sake referred to as “the said Undertaking” shall without any further act or deed, be and shall stand transferred to and vested in or be deemed to have been transferred to and vested in PIDILITE INDUSTRIES LIMITED, a Public Limited Company registered under the provisions of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, Nariman Point, Bombay - 400 021, (hereinafter called “the Transferee Company”) pursuant to Section 394 of the Companies Act, 1956.
2. With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to Section 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company.
3. This Scheme, although effective from the Appointed day shall not become operative until the last of the following dates namely :
 - (a) that on which the last of the sanctions, approvals, permissions, resolutions and orders specified in clause 18 of the Scheme are obtained or passed; and
 - (b) that on which all necessary certified copies of the courts' order under Section 391 and 394 of the Act shall be duly filed with the Registrar of Companies.

The last of such date shall be the “Operative Day” for the purpose of this Scheme.

4. With effect from the Appointed Day and the date on which this Scheme finally becomes operative, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of all properties so to be transferred for and on account of and in trust for the Transferee Company and the profits

accruing to the Transferor Company or losses arising or incurred by it shall for all purposes be treated as the profits or losses of the Transferee Company as the case may be and the Transferor Company shall not alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of its business, with the consent of the Transferee Company.

5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be.
6. Subject to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature subsisting or having effect immediately before this Scheme becomes finally operative, to which the Transferor Company is a party, shall be in full force and effect against or in favour of the Transferee Company as the case may be, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company, had been a party thereto.
7. The Authorised Share Capital of the Transferor Company as on 31st March, 1994 was Rs. 30 Lakhs (Rupees Thirty Lakhs) divided into 28,000 (Twenty Eight Thousand) Equity Shares of Rs. 100/- (Rupees One Hundred) each and 2,000 (Two Thousand) unclassified shares of Rs. 100/- (Rupees One Hundred only) each and on July 8, 1994, it was enhanced to Rs. 50 Lakhs (Rupees Fifty Lakhs only) divided into 40,000 (Forty Thousand) Equity Shares of Rs. 100/- (Rupees One Hundred only) each, and 10,000 (Ten Thousand) unclassified Shares of Rs. 100/- (Rupees One Hundred only) each. The issued, subscribed and paid up capital of the Transferor Company as on 31st March, 1994 was Rs. 22,00,000/- (Rupees Twenty Two Lakhs only) divided into 22,000 (Twenty Two Thousand) Equity Shares of Rs. 100/- (Rupees One Hundred) each fully paid up and on July 26, 1994, it was enhanced to Rs. 39,60,000/- (Rupees Thirty Nine Lakhs Sixty Thousand only) divided into 39,600 (Thirty Nine Thousand) Equity Shares of Rs. 100/- (Rupees One Hundred only) each fully paid up.
8. The Authorised Share Capital of the Transferee Company is Rs. 10 Crores (Rupees Ten Crores only) divided into 2,25,000 (Two Lakh Twenty Five Thousand) 15% Preference Shares of Rs. 10/- (Rupees Ten) each and 97,75,000 (Ninety Seven Lakhs Seventy Five Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each. The issued and subscribed capital of the Transferee Company is Rs. 6,05,50,000/- (Rupees Six Crores Five Lakh Fifty Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each against which Rs. 5,97,50,000/- (Rupees Five Crores Ninth Seven Lakhs Fifty Thousand only) has been fully paid up as on March 31, 1994.
9. (a) In consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot Equity Shares to the members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as may be recognised by the Board of Directors of the Transferee Company in the following ratio, namely 5 (Five) Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 3 (Three) Equity Shares of the face value of Rs. 100/- (Rupees One Hundred) each in the Transferor Company to the members of the Transferor Company or their heirs, executors, administrators or other legal representatives or their successors

in title as the case may be. In this way, Transferee Company shall issue and allot total 66,000 (Sixty Six Thousand) Equity Shares of the face value of Rs. 10/- (Rupees Ten only) each at par credited as fully paid up to members of Transferor Company or their heirs, executors, administrators or other legal representatives or their successors in title as the case may be, for 39,600 (Thirty Nine Thousand Six Hundred) Equity Shares of the face value of Rs. 100/- (Rupees One Hundred only) each held by them in Transferor Company.

- (b) No fractional certificate shall be issued by the Transferee Company in respect of the fractional rights to which the members of the Transferor Company may be entitled to on issue and allotment of the shares by the Transferee Company as aforesaid. The Directors of the Transferee Company shall in their discretion be entitled to either ignore the fractions if any or issue share or shares in lieu thereof as they may in their discretion decide.
 - (c) The Equity Shares of Rs. 10/- (Rupees Ten) each in the capital of the Transferee Company to be allotted pursuant to sub-clause (a) hereof shall rank for dividend, voting rights and in all respect pari passu with the existing Equity Shares of the Transferee Company, PROVIDED THAT ANY SUCH dividend payable on the said Equity Shares in the capital of the Transferee Company shall become due and payable only after the Scheme become effective and binding in terms hereof.
 - (d) Save as specifically provided in this scheme, the Transferor Company and/or the Transferee Company can make any change in their capital structure as referred to in the Scheme either by any increase (by issue of rights shares, Equity or Preference shares, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification sub-division or consolidation, re-organisation, or in any other manner subject to mutual consent of the Board of Directors of both the Companies.
- 10. The Transferor Company shall not declare any dividend to its members for the year commencing from and after 1st April, 1994 without the consent in writing of the Transferee Company.
 - 11. The Transferee Company shall take over all such employees if any of the Transferor Company as are willing to join the Transferee Company, on the same terms on which they are employed by the Transferor Company and they shall be entitled to the benefits and perquisites to which they are entitled to as Employees of the Transferor Company even after the Scheme becomes finally effective. Their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes of the provident fund, Gratuity, Superannuation and other benefits but will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company.
 - 12. Apuraj Chemicals Ltd. Employees Group Gratuity-cum-Life Assurance Scheme formed under a Deed of Trust dated 31st May, 1988 shall merge with Pidilite Industries Limited and Associate Concerns' Employees' Group Gratuity-cum-Life Assurance Scheme formed under a Deed of Trust dated 24th May, 1971.
 - 13. Apuraj Chemicals Pvt. Ltd. Employees Superannuation Scheme formed under a Deed of Trust Dated 27th June, 1987 shall merge with Pidilite Industries Ltd., Superannuation Scheme formed under a Deed of Trust dated 12th March, 1979.

14. On the Scheme becoming operative the Transferor Company shall be dissolved without winding up.
15. The Transferor Company and the Transferee Company, each shall with all reasonable dispatch make application under Section 391 and 394 of the Companies Act, 1956 to the High Court in Bombay respectively for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up.
16. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or amendments of this Scheme or any conditions which the Court may deem fit to approve of or impose and solve all difficulties that may rise for carrying out the scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
17. For the purpose of giving effect to this Scheme of Amalgamation or to any modification thereof the Directors of the Transferee Company may give and are authorised to give such directions including directions for settling any questions of doubt or difficulty that may arise in regard to the issue and allotment of shares and consolidation of fractional rights if any.

On the amalgamation of Transferor Company with the Transferee Company becoming operative, the Transferee Company through its Directors shall be competent to carry out all such acts and powers as the Directors of Transferor Company were competent to do including preparation of Accounts of the Transferor Company for the year ending 31-03-1995, Directors' Report, recommendation/declaration of dividend, filing of Annual Returns and all other related matters. The Annual General Meeting of the Shareholders of Transferee Company will be competent to adopt the accounts of the Transferor Company for the year ending 31-03-1995.

18. The Scheme is conditional on and subject to :
 - (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of the matters in respect of which such sanction or approval be required and requisite resolutions being passed.
 - (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High Court on the applications made for directions for calling meetings and necessary resolutions being passed under the Companies Act, 1956 for the purpose.
 - (c) The sanction of the High Court under Section 391 and 394 of the Companies Act, 1956 on behalf of the Transferor Company and the Transferee Company being obtained.
 - (d) The necessary resolution by the Transferee Company under Section 81 or any other provisions of the Companies Act, 1956 being passed.
 - (e) Approvals of the financial institutions/banks under the loan agreements/ security documents executed by the Transferor Company being obtained.
19. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the Court and/or the Order or Orders not being passed as aforesaid before 31st December, 1995 or within such further

period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred interse to or by the parties or any of them and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.

20. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company alone.



CERTIFIED TO BE A TRUE COPY

This 7th Day of July, 1995

Sd/-

for PROTHONOTARY & SENIOR MASTER

HIGH COURT

O.O.C.J.

COMPANY PETITION NO. 130 OF 1995

Connected with

COMPANY APPLICATION NO. 7 OF 1995

In the matter of Companies Act, 1956;
etc.

And

In the matter of Pidilite Industries
Limited. Petitioner

ORDER SANCTIONING THE SCHEME OF AMALGAMATION

.....

Dated this 23rd day of June, 1995

Filed this 7th day of July, 1995

Applied on : 06-07-1995

Engrossed on : 07-07-1995

Section Writer : Sd/-

Folios : 80 Pages

Examined by : Sd/-

Compared with : Sd/-

Ready on : 07-07-1995

Delivered on : 07-07-1995

M/s. Manilal Kher Ambalal & Co.
Advocates for the Petitioner,
Jehangir Wadia Building,
51 Mahatma Gandhi Road, Fort,
Bombay -400 023.
f.n. pid-ord/asr6:

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 757 OF 1999

CONNECTED WITH

COMPANY APPLICATION NO. 194 of 1999

In the matter of Companies Act, 1956

And

In the Matter of Pidilite Industries
Limited

And

In the Matter of Scheme of
Amalgamation of P.G.P. Engineering
Works Limited with the Petitioner
Company

Pidilite Industries Limited, a	}	
Company incorporated and registered	}	
under the Provisions of the	}	
Companies Act, 1956 and having its	}	
Registered Office at	}	
7th Floor, Regent Chambers,	}	
Jamnalal Bajaj Marg, 208, Nariman Point,	}	
Bombay -400 021.	}	 Petitioner

CORAM : S.S. Nijjar J.

Date : 22nd November, 1999

UPON the petition of Pidilite Industries Limited, the Petitioner Company abovenamed solemnly affirmed on 28th day of June, 1999 and presented to this Hon'ble Court on the 30th day of June, 1999 for sanctioning the proposed Scheme of Amalgamation of P.G.P. Engineering Works Limited, (hereinafter referred to as "the Transferor Company") with Pidilite Industries Limited, (hereinafter referred to as "the Transferee Company" or "The Petitioner Company") and for consequential reliefs as mentioned in the said Petition and the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Priyakant Chhotlal Patel Secretary of Petitioner Company solemnly affirmed on 28th day of June, 1999 verifying the said Petition AND UPON READING the Affidavit of Mr. Mahendra B. Pathak, Senior Manager of Petitioner Company dated 30th day of July, 1999 AND UPON READING the Affidavit of Mr. Priyakant Chotalal Patel, Secretary of the Petitioner Company dated 27th day of September, 1999 proving publication of the notice of the date of hearing of the Petition in the issue Indian Express and Navshakti both dated 30th day of August, 1999 and the Maharashtra Government Gazettee dated 16th September, 1999 and also proving

despatch of notice of date of hearing of the Petition to Creditors of the Petitioner Company pursuant to the order dated 30th day of July, 1999 passed in the abovementioned Petition AND UPON READING the Affidavit of Mr. K.K. Naik dated 29th day of September, 1999 proving service of notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the order dated 3rd day of May, 1999 passed in Company Application No. 194 of 1999 whereby the convening of the meeting of Equity Shareholders of the Transferee Company for the purpose of considering and if thought fit approving with or without modifications the Scheme of Amalgamation of the Transferor Company with the Transferee Company was dispensed with in view of the consent in writing given by 75% of the shareholders of the Petitioner Company and meeting of secured and unsecured creditors were also dispensed with in view of the averments made in para 19 of the Affidavit in Support of the Company Application No. 194 of 1999 and the undertaking given by the Petitioner Company to give notice hearing of the Petition to the Creditors of the Petitioner Company whose claim exceeds Rs. 2,00,000/- AND UPON READING Shri Vikram B. Trivedi, Partner of M/s. Manilal Kher Ambalal & Co., Advocates for the Transferee Company and Mr. V.D. Samant, S.T.A. from the office of the Regional Director, Department of Company Affairs, Maharashtra, Mumbai who appeared in pursuance of the Notice under Section 394-A of the Companies Act, 1956 and submits to the Order of the Court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either to support the said Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation of P.G.P. Engineering Works Limited, the Transferor Company with Pidilite Industries Limited, the Transferee Company as set forth in Exhibit 'B' to the Petition and also in the Schedule annexed hereto AND THIS COURT DOTH HEREBY DECLARE the same to be binding on all the shareholders of the Transferee Company and also on the Transferor Company AND THIS COURT DOTH HEREBY ORDER THAT with effect from 1st day of April, 1999 (hereinafter called the "Appointed Day") the entire undertaking of the Transferor Company i.e. P.G.P. Engineering Works Limited including all its properties, moveable and immoveable and assets of all types and nature such as leases, its factory premises situated at Plot No. 77/ I, GIDC Estate at Vapi 396 195, District Valsad, Gujarat under Leases from the Gujarat Industrial Development Corporation, a corporation constituted under Gujarat Industrial Development Act, 1962 and Residential Premises on Residential Plot No. 18, at Vapi Industrial Area, Vapi, Dist. Valsad, Gujarat, Tenancy rights, licences, leave and licence agreements, investments, deposits, registrations with D.G.T.D. and Industrial licences, permits, quotas, trade mark, patents, designs, technical know-how, import and export benefits, other licences, telephones, telexes and fax, benefits of all agreements and all other interests, rights and power of every kind, nature and description whatsoever, all such undertaking, properties, assets, interest, rights and powers etc. and hereinafter for brevity's sake referred to as "the said Undertaking" shall without any further act or deed, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company i.e. Pidilite Industries Limited, THIS COURT DOTH FURTHER ORDER THAT with effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company be transferred, without further act or deed, to the Transferee Company, and the same shall pursuant to the Section 394 of the Companies Act, 1956 stand transferred to the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that all legal proceedings by or against the Transferor Company shall be continued and enforced by or against the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that in consideration of the transfer of undertaking of the Transferor Company to the Transferee Company, no shares of the Transferee Company shall be allotted in respect of the holding of the Transferee Company, in the equity capital of the Transferor Company and the entire share capital of the Transferor Company shall stand cancelled since the Transferor Company is a wholly owned subsidiary of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company do within 30 days of the sealing of the

order sanctioning the Scheme of Amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and on such certified copy of order being so delivered, the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place all the documents and records relating to the Transferor Company and registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH HEREBY FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation AND THIS COURT DOTH HEREBY LASTLY ORDER that the Petitioner Company do pay a sum of Rs. 1,000/- (Rupees One Thousand only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards costs of the said Petition WITNESS SHRI YOGESH KUMAR SABHARWAL, the Chief Justice at Bombay, aforesaid this 22nd day of November, 1999.

SEAL

By the Court

Sd/- A. P. Kothari

Sd/- S. P. Kothari

This 25th day of February, 2000

For PROTHONOTARY & SENIOR MASTER

ORDER Sanctioning the Scheme of	}
Amalgamation under Section 391 to	}
394 of the Companies Act, 1956 drawn	}
on the Application of M/s. Manilal Kher	}
Ambalal & Co., Advocates for the	}
Petitioners, having their office at	}
Mulla House, 51, Mahatma Gandhi Road,	}
Fort, Mumbai - 400 023.	}

SCHEDULE

SCHEME OF AMALGAMATION OF
P.G.P. ENGINEERING WORKS LIMITED
WITH
PIDILITE INDUSTRIES LIMITED

1. With effect from 1st day of April, 1999 (hereinafter called the “Appointed Day”) the entire undertaking of P.G.P. Engineering Works Limited, a deemed Public Limited Company under registered under the provisions of the Companies Act, 1956 and having its Registered Office at 115, Marol Co-operative Industrial Estate, Mathurdas Vasanji Road, Near Saki Naka, Andheri (East), Mumbai 400 059 (hereinafter called “the Transferor Company”) including all its reserves, properties, movable and immovable and assets of all types and nature such as leases, its factory premises situated at Plot No. 77/I, GIDC Estate at Vapi-396 195, Dist. - Valsad, Gujarat, under lease from the Gujarat Industrial Development Corporation, a corporation constituted under the Gujarat Industrial Development Act, 1962 and Residential Premises on Residential Plot No. 18 at Vapi Industrial Area, Vapi, Dist. Valsad, Gujarat, tenancy rights, licences, leave and licence agreements, investments, deposits, registration with D.G.T.D. and Industrial licences, permits, quotas, trade mark, patents, designs, technical know-how, import and export benefits, modvat credit available under Central Excise and Salt Act, 1944 and the notifications, thereunder, various exemptions/incentives granted under different schemes of State/Central Governments, other licences, telephones, telexes and fax, benefits of all agreements and all other interests, rights, and power of every kind, nature and description whatsoever, all such undertaking, properties, assets, interest, rights and powers etc. and hereinafter for brevity’s sake referred to as “the said Undertaking” shall, without any further act or deed, be and shall stand transferred to and vested in or be deemed to have been transferred to and vested in PIDILITE INDUSTRIES LIMITED, a Public Limited Company registered under the provisions of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai - 400 021, (hereinafter called “the Transferee Company”) pursuant to Section 394 of the Companies Act, 1956.
2. With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, pursuant to Section 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company.
3. This Scheme, although effective from the Appointed day shall not become operative until the last of the following dates namely :
 - (a) That on which the last of the sanctions, approvals, permissions, resolutions and orders specified in clause 15 of the Scheme are obtained or passed; and
 - (b) That on which all necessary certified copies of the Courts' order under Section 391 and 394 of the Act shall be duly filed with the Registrar of Companies. The last of such date shall be the “Operative Day” for the purpose of this Scheme.

4. With effect from the Appointed Day and the date on which this Scheme finally becomes operative, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of all properties so to be transferred for and on account of and in trust for the Transferee Company and the profits accruing to the Transferor Company or losses arising or incurred by it shall, for all purposes be treated as the profits or losses of the Transferee Company as the case may be and the Transferor Company shall not alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of its business, with the consent of the Transferee Company.
5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be and as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
6. Subject, to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature subsisting or having effect immediately before this Scheme becomes finally operative, to which the Transferor Company is a party, shall be in full force and effect against or in favour as the case may be of the Transferee Company, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
7. As per the last audited balance sheet as at 31st March, 1998 the Authorised Share Capital of the Transferor Company was Rs. 30,00,000/- (Rupees Thirty Lakhs only) divided into 30,000 (Thirty Thousand) Equity Shares of Rs. 100/- (Rupees One Hundred) each and the Issued, Subscribed and Paid-up Capital of Transferor Company was Rs. 10,00,000/- (Rupees Ten Lakhs only) divided into 10,000 (Ten Thousand) Equity Shares of Rs. 100/- (Rupees One Hundred only) each. All these shares are presently held by the Transferee company (in its name and through its nominees) and in this way the Transferor Company is a wholly owned subsidiary of the Transferee Company.
8. As per the last audited balance sheet as at 31st March, 1998 the Authorised Share Capital of the Transferee Company was Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crore) Shares of Rs. 10/- (Rupees Ten only) each as detailed below :

1,47,75,000 Equity Shares of Rs. 10/- each amounting to	: Rs. 14,77,50,000
2,25,000 15% Preference Shares of Rs. 10/- each amounting to	: Rs. 22,50,000
50,00,000 Unclassified Shares of Rs. 10/- each amounting to	: Rs. 5,00,00,000
	Rs. 20,00,00,000

and the Issued, Subscribed and Paid-Up Capital of the Transferee Company was Rs. 12,24,20,000/- (Rupees Twelve Crores Twenty Four Lakhs Twenty Thousands only) divided into 1,22,42,000 (One Crore Twenty Two Lakhs Forty Two Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each.

9. The Transferor Company is a wholly owned subsidiary of the Transferee Company. On amalgamation of the Transferor Company with the Transferee Company no shares of the Transferee Company shall be allotted in respect of the holding of the Transferee Company, in the equity capital of the Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.
10. At present there are no employees on the roll of the Transferor Company. However if any employee is appointed by the Transferor Company and are in service on the date immediately preceding the Operative Day, all such employees of the Transferor Company shall be deemed to have become the employees of the Transferee Company with effect from their respective date appointment without any break in their service and the terms and conditions of their employment with Transferee Company shall not be less favourable than those applicable to them on the Operative Day.
11. On the Scheme becoming operative the Transferor Company shall be dissolved without winding up.
12. The Transferor Company and the Transferee Company, each shall with all reasonable despatch make application under Section 391 and 394 of the Companies Act, 1956 to the High Court in Bombay for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up.
13. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or amendments of this Scheme or any conditions which the Court may deem fit to approve of or impose and solve all difficulties that may rise for carrying out the scheme and do all acts, deeds and things necessary for putting the Scheme into effect.
14. For the purpose of giving effect to this Scheme of Amalgamation or to any modification thereof the Directors of the Transferee Company both on behalf of Transferor Company as well as Transferee Company may give and are authorised to give such direction including directions for settling any questions of doubt or difficulty that may arise.

On the amalgamation of Transferor Company with the Transferee Company becoming operative, the Transferee Company through its Directors shall be competent to carry out all such acts and powers as the Directors of Transferor Company were competent to do including preparation of Accounts of the Transferor Company for the year ending 31-03-1999, Directors' Report, recommendation/ declaration of dividend, filing of Annual Returns and all other related matters. The Annual General Meeting of the Shareholders of Transferee Company will be competent to adopt the accounts of the Transferor Company for the year ending 31-03-1999.

15. The Scheme is conditional on and subject to :
 - (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of the matters in respect of which such sanction or approval be required and requisite resolutions being passed.
 - (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High Court on the applications made for directions for calling meetings and necessary resolutions being passed under the Companies Act, 1956 for the purpose.

- (c) The sanction of the High Court under Section 391 and 394 of the Companies Act, 1956 on behalf of the Transferor Company and the Transferee Company being obtained.
 - (d) Approvals if required of the financial institutions/banks under the loan agreements/security documents executed by the Transferee Company and the Transferor Company being obtained.
16. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being Sanctioned by the Court and/or the Order or Orders not being passed as aforesaid before 31st December, 1999 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.
17. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company alone.



CERTIFIED TO BE A TRUE COPY

This 25th Day of February, 2000

Sd/-

for Prothonotary & Senior Master

HIGH COURT

O.O.C.J.

COMPANY PETITION NO. 757 OF 1999

CONNECTED WITH

COMPANY APPLICATION NO. 194 OF 1999

In the matter of Companies Act, 1956;
etc.

And

In the matter of Scheme of
Amalgamation of P.G.P. Engineering
Works Ltd. with Pidilite Industries
Limited.

Pidilite Industries Ltd. Petitioner

ORDER SANCTIONING THE SCHEME OF AMALGAMATION

Dated this 22nd day of November, 1999

Filed this 25th day of February, 2000

FC paid on : 25-02-2000
Applied on : 02-02-2000
Engrossed on : 25-02-2000
Section Writer : Sd/-
Folios : 19 Pages
Examined by : Sd/-
Compared with : Sd/-
Ready on : 25-02-2000
Delivered on : 25-02-2000

M/s. Manilal Kher Ambalal & Co.
Advocates for the Petitioner
Mulla House, 51,
Mahatma Gandhi Road, Fort,
Bombay -400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 1235 OF 1999

CONNECTED WITH

COMPANY APPLICATION NO. 651 of 1999

In the matter of Companies Act, 1956

And

In the Matter of Pidilite Industries Limited

And

In the matter of sanction of Scheme of Amalgamation of Pidilite Finance Ltd., with the Petitioner Company under Sections 391 to 394 of the Companies Act, 1956

Pidilite Industries Limited	}	
a Company incorporated and registered	}	
under the provisions of the	}	
Companies Act, 1956 and having its	}	
Registered Office at	}	
7th Floor, Regent Chambers,	}	
Jamnalal Bajaj Marg, 208, Nariman Point,	}	
Mumbai -400 021.	}	 Petitioner

CORAM : S.S. Nijjar J.

Date : 24th January, 2000

UPON the Petition of Pidilite Industries Limited, the Petitioner Company abovenamed solemnly declared on 1st day of November, 1999 and presented to this Hon'ble Court on the 4th day of November, 1999 for sanctioning the proposed Scheme of Amalgamation of Pidilite Finance Limited, (hereinafter referred to as "the Transferor Company") with Pidilite Industries Limited, (hereinafter referred to as "the Transferee Company" or "The Petitioner Company") and for consequential reliefs as mentioned in the said Petition and the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the Affidavit of Priyakant Chhotalal Patel, the Secretary of the Petitioner Company solemnly affirmed on the 1st day of November, 1999 verifying the said Petition AND UPON READING the Affidavit of Mr. P.C. Patel, dated 24th day of January, 2000 proving publication of the date of hearing of the Petition in the issues of Indian Express and Navshakti both dated 20th day of December, 1999 containing the advertisement of date of hearing of the said Petition AND UPON READING the Affidavit of

Mr. Vijay R. Shah dated 23rd day of December, 1999 proving service of Notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the order dated 14th day of October, 1999 passed in Company Application No. 651 of 1999 whereby convening of the meeting of Equity Shareholders of the Petitioner Company for the purpose of considering and if thought fit approving with or without modifications the Scheme of Amalgamation of the Transferor Company with the Transferee Company was dispensed with in view of the consent in writing given by 77.16493% of the Equity Shareholders of the Petitioner Company annexed to the Affidavits dated 27th day of September, 1999 and 6th day of October, 1999 in Support of the Company Application No. 651 of 1999 AND the meetings of the secured and unsecured creditors of the Petitioner Company were also dispensed with in view of the averment made in paragraph 22 of the Affidavit in support of Company Application No. 651 of 1999 AND UPON HEARING Mr. Vikram B. Trivedi, with Ms. Rajashree Bhat, Advocate instructed by M/s. Manilal Kher Ambalal & Co., Advocates for the Transferee Company and Mr. R.P. Singh, Company Prosecutor for the Regional Director, Department of Company Affairs, Maharashtra, Mumbai who appeared in pursuance of the Notice under Section 394-A of the Companies Act, 1956 and submits to the Order of the Court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either to support the said Petition or to show cause against the same THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation of Pidilite Finance Limited, the Transferor Company with Pidilite Industries Limited, the Transferee Company as set forth in Exhibit 'C' to the Petition and also annexed as Schedule hereto AND THIS COURT DOTH HEREBY DECLARE the same to be binding on all the Shareholders of the Transferee Company and on the Shareholders of the Transferor Company and also on the Transferee Company and the Transferor Company AND THIS COURT DOTH HEREBY ORDER THAT with effect from 1st day of April, 1999 (hereinafter called as the "Appointed Day") the entire undertaking of Pidilite Finance Limited including all its reserves, properties, moveable and immoveable and assets of all types and nature and all other provisions of the Scheme more particularly described in Exhibit "C" to the Petition and also in the Schedule hereto shall without any further act or deed be transferred to and vested in the Transferee Company and the same shall pursuant to the provisions of Sections 394 of the Companies Act, 1956 stand transferred to the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH HEREBY FURTHER ORDER that all legal proceedings by or against the Transferor Company pending at the date on which the Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be and as if, instead of the Transferor Company, the Transferee Company had been part thereto AND THIS COURT DOTH HEREBY FURTHER ORDER that as the Transferor Company is a wholly owned subsidiary of the Transferee Company, on Amalgamation of the Transferor Company with the Transferee Company no shares of the Transferee Company shall be allotted in respect of the holding of the Transferee Company, in the Equity Share of the Transferor Company and the entire Share Capital of the Transferor Company shall stand cancelled AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company do within 30 days of the sealing of the order sanctioning the Scheme of Amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and on such certified copy of order being so delivered, the Transferor Company shall stand dissolved without winding up and the Registrar of Companies, Maharashtra, Mumbai shall place all the documents and records relating to the Transferor Company and Registered with him on the file kept by him in relation to the Transferee Company and the files relating to the said two Companies shall be consolidated accordingly AND THIS COURT DOTH HEREBY FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation AND THIS COURT DOTH HEREBY ORDER that

the Petitioner Company do pay a sum of Rs. 1,000/- (Rupees One Thousand only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards costs of the said Petition WITNESS SHRI YOGESH KUMAR SABHARWAL, the Chief Justice at Bombay, aforesaid this 24th day of January, 2000.

SEAL

By the Court

Sd/- A. P. Kothari

Sd/- S. P. Kothari

This 23rd day of February, 2000

For PROTHONOTARY & SENIOR MASTER

ORDER Sanctioning the Scheme of	}
Amalgamation under Section 391 to	}
394 of the Companies Act, 1956 drawn	}
on the Application of M/s. Manilal Kher	}
Ambalal & Co., Advocates for the	}
Petitioners, having their office at	}
Mulla House, 51, Mahatma Gandhi Road,	}
Fort, Mumbai - 400 023.	}

SCHEDULE

SCHEME OF AMALGAMATION OF

PIDILITE FINANCE LIMITED

WITH

PIDILITE INDUSTRIES LIMITED

1. With effect from 1st day of April, 1999 (hereinafter called the “Appointed Day”) the entire undertaking of Pidilite Finance Limited, a deemed Public Limited Company registered under the provisions of the Companies Act, 1956 and having its Registered Office at 7th Floor, Regent Chambers, Jamnalal Bajaj Marg, Nariman Point, Mumbai : 400 021 (hereinafter called “the Transferor Company”) including all its reserves, properties, movable and immovable and assets of all types and nature such as assets in the nature of plant & machinery, computers and vehicles given on lease to various parties, investments in quoted and unquoted securities and in mutual funds, deposits, loans and advances, Registration of vehicles with regional transport authorities, registration with other authorities, benefits of all agreements including lease agreements and all other interests, rights, and powers of every kind, nature and description whatsoever, all such undertaking, properties, assets, interest rights and power etc. and hereinafter for brevity’s sake referred to as “the said Undertaking” shall, without any further act or deed, be and shall stand transferred to and vested in or be deemed to have been transferred to and vested in PIDILITE INDUSTRIES LIMITED, a Public Limited Company registered under the provisions of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai - 400 021, (hereinafter called “the Transferee Company”) pursuant to Section 391-394 of the Companies Act, 1956.
2. With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, as per Section 391 - 394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company.
3. This Scheme, although effective from the Appointed day shall not become operative until the last of the following dates namely :
 - (a) that on which the last of the sanctions, approvals, permissions, resolutions and orders specified in clause 16 of the Scheme are obtained or passed; and
 - (b) that on which all necessary certified copies of the Courts' orders under Section 391 - 394 of the Act shall be duly filed with the Registrar of Companies. The last of such date shall be the “Operative Day” for the purpose of this Scheme.
4. With effect from the Appointed Day and the date on which this scheme finally becomes operative, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of all properties so to be transferred for and on account of and in trust for the Transferee Company and the profits accruing to the Transferor Company or losses arising or incurred by it shall, for all purposes be treated as the profits or losses of the Transferee Company as the

case may be and the Transferor Company shall not alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of its business, without the consent of the Transferee Company.

5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be and as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
6. Subject, to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature subsisting or having effect immediately before this Scheme becomes finally operative, to which the Transferor Company is a party, shall be in full force and effect against or in favour as the case may be of the Transferee Company, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
7. As per the last audited balance sheet as at 31st March, 1999 the Authorised Share Capital of the Transferor Company was Rs. 10,00,00,000/- (Rupees Ten Crores only) divided into 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each and 50,00,000 (Fifty Lakh) Unclassified Shares of Rs. 10/- (Rupees Ten) each and the Issued, Subscribed and Paid-up Capital of Transferor Company was Rs. 3,00,00,000/- (Rupees Three Crores only) divided into 30,00,000 (Thirty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each. All these Shares are held by the Transferee company (in its name and through its nominees) and in this way the Transferor Company is a wholly owned subsidiary of the Transferee Company.
8. As per the last audited balance sheet as at 31st March, 1999 the Authorised Share Capital of the Transferee Company was Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crore) shares of Rs. 10/- (Rupees Ten only) each as detailed below :

1,47,75,000 Equity Shares of Rs. 10/- each amounting to	: Rs. 14,77,50,000
2,25,000 15% Preference Shares of Rs. 10/- each amounting to	: Rs. 22,50,000
50,00,000 Unclassified Shares of Rs. 10/- each amounting to	: Rs. 5,00,00,000
	Rs. 20,00,00,000

and the Issued, Subscribed and Paid-Up Capital of the Transferee Company was Rs. 12,24,20,000/- (Rupees Twelve Crores Twenty Four Lakhs Twenty Thousands only) divided into 1,22,42,000 (One Crore Twenty Two Lakhs Forty Two Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each.

9. On amalgamation of the Transferor Company with the Transferee Company no shares of the Transferee Company shall be allotted in respect of the holding of the Transferee Company, in the equity capital of the Transferor Company and the entire share capital of the Transferor Company shall stand cancelled.
10. At present there are no employees on the roll of the Transferor Company. However if any employee is appointed by the Transferor Company and are in service on the date immediately preceding the Operative Day, all such employees of the

Transferor Company shall be deemed to have become the employees of the Transferee Company with effect from their respective date appointment without any break in their service and the terms and conditions of their employment with Transferee Company shall not be less favourable than those applicable to them on Operative Day.

11. On the Scheme becoming operative the Transferor Company shall be dissolved without winding up.
12. The Transferor Company and the Transferee Company, each shall with all reasonable despatch make application under Section 391 - 394 of the Companies Act, 1956 to the High Court in Bombay for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up.
13. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or amendments of this Scheme or any conditions which the Court may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the scheme and do all acts, deeds and things necessary for putting the scheme into effect.
14. For the purpose of giving effect to this Scheme of Amalgamation or to any modification thereof the Directors of the Transferee Company both on behalf of Transferor Company as well as Transferee Company may give and are authorised to give such direction including directions for settling any questions of doubt or difficulty that may arise.
15. On the amalgamation of Transferor Company with the Transferee Company becoming operative, the Transferee Company through its Directors shall be competent to carry out all such acts and powers as the Directors of Transferor Company were competent to do including preparation of Accounts of the Transferor Company for the year ending 31-03-2000, Directors' Report, recommendation/declaration of dividend, filing of Annual Returns and all other related matters. The Annual General Meeting of the Shareholders of Transferee Company will be competent to adopt the accounts of the Transferor Company for the year ending 31-03-2000.
16. The Scheme is conditional on and subject to :
 - (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of the matters in respect of which such sanction or approval be required and requisite resolutions being passed.
 - (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High Court on the applications made for directions for calling meetings and necessary resolutions being passed under the Companies Act, 1956 for the purpose;
 - (c) The sanction of the High Court under Section 391 - 394 of the Companies Act, 1956 on behalf of the Transferor Company and the Transferee Company being obtained.
17. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being Sanctioned by the Court and/or the Order or Orders not being passed as aforesaid before 30-09-2000 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors, this Scheme shall become null and

void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.

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



CERTIFIED TO BE A TRUE COPY

This 25th Day of February, 2000

Sd/-

For Prothonotary and Senior Master

IN HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 1235 OF 1999

CONNECTED WITH

COMPANY APPLICATION NO. 651 OF 1999

In the matter of Section 391 to 394 of
the Companies Act, 1956,

And

In the matter of Scheme of
Amalgamation of Pidilite Finance
Limited with Pidilite Industries
Limited.

Pidilite Industries Ltd. Petitioner

**ORDER SANCTIONING
THE SCHEME OF AMALGAMATION**

Dated this 24th day of January, 2000

Filed this 23rd day of February, 2000

FC paid on : 25-02-2000
Applied on : 08-02-2000
Engrossed on : 25-02-2000
Section Writer : Sd/-
Folios : 16 Pages
Examined by : Sd/-
Compared with : Sd/-
Ready on : 25-02-2000
Delivered on : 25-02-2000

M/s. Manilal Kher Ambalal & Co.
Advocates for the Petitioner
Mulla House, 1st Floor,
51, M. G. Road, Fort,
Mumbai - 400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 1237 OF 1999

CONNECTED WITH

COMPANY APPLICATION NO. 649 of 1999

In the matter of Companies Act, 1956;

And

In the Matter of Pidilite Industries
Limited

And

In the matter of sanction of Scheme of
Amalgamation of Nebula Chemicals
Ltd with the Petitioner Company
under Sections 391 to 394 of the
Companies Act, 1956

Pidilite Industries Limited	}	
a Company incorporated and registered	}	
under the provisions of the	}	
Companies Act, 1956 and having its	}	
Registered Office at	}	
7th Floor, Regent Chambers,	}	
Jamnalal Bajaj Marg, 208, Nariman Point,	}	
Mumbai -400 021.	}	 Petitioner

CORAM : S.S. Nijjar J.

Date : 24th January, 2000

UPON the Petition of Pidilite Industries Limited, the Petitioner Company abovenamed solemnly declared on 1st day of November, 1999 and presented to this Hon'ble Court on the 4th day of November, 1999 for sanctioning the proposed Scheme of Amalgamation of Nebula Chemicals Limited, (hereinafter referred to as "the Transferor Company") with Pidilite Industries Limited, (hereinafter referred to as "the Transferee Company" or "Petitioner Company") and for consequential reliefs as mentioned in the said Petition and the said Petition being this day called on for hearing and final disposal AND UPON READING the said Petition and the affidavit of Priyakant Chhotalal Patel, Company Secretary of Petitioner Company solemnly affirmed on the 1st day of November, 1999 verifying the said Petition AND UPON READING the Affidavit of Mr. P.C. Patel, dated 24th day of January, 2000 proving publication of the notice of the date of hearing of the Petition in the issue of Indian Express and Navshakti both dated 20th day of December, 1999 AND UPON READING the Affidavit of Mr. Vijay R. Shah dated 23rd day of December, 1999

proving service of Notice of hearing of the Petition upon the Regional Director, Department of Company Affairs, Maharashtra, Mumbai AND UPON READING the order dated 14th day of October, 1999 passed in Company Application No. 649 of 1999 whereby convening of the meeting of Equity Shareholders of the Petitioner Company for the purpose of considering and if thought fit approving with or without modifications the Scheme of Amalgamation of the Transferor Company with the Transferee Company was dispensed with in view of the consent in writing given by 77.16493% Equity Shareholders of the Petitioner Company annexed to the Affidavits dated 27th day of September, 1999 and 6th day of October, 1999 in Support of the Company Application No. 649 of 1999 AND the meetings of the secured and unsecured creditors were also dispensed with in view of the averments made in paragraph 24 of the Affidavit in support of Company Application No. 649 of 1999 AND UPON HEARING Mr. Vikram B. Trivedi, with Ms. R. Bhat, Advocate instructed by M/s. Manilal Kher Ambalal & Co., Advocates for the Transferee Company and Mr. R.P. Singh, Company Prosecutor for the Regional Director, Department of Company Affairs, Maharashtra, Mumbai who appeared in pursuance of the Notice under Section 394-A of the Companies Act, 1956 and submits to the Order of the Court and no other person or persons entitled to appear at the hearing of the Petition appearing this day either to support the said Petition or to show cause against the said Petition THIS COURT DOTH HEREBY SANCTION the Scheme of Amalgamation of Nebula Chemicals Limited, the Transferor Company with Pidilite Industries Limited, the Transferee Company as set forth in Exhibit 'C' to the Petition and also annexed as Schedule hereto AND THIS COURT DOTH HEREBY DECLARE the same to be binding on all the shareholders of the Transferee Company and also on the Shareholders of the Transferor Company and on Transferor Company and the Transferee Company AND THIS COURT DOTH HEREBY ORDER THAT with effect from 1st day of April, 1999 (hereinafter called as the "Appointed Day") the entire undertaking of the Transferor Company i.e. Nebula Chemicals Limited including all its reserves, properties, moveable and immoveable and assets of all types and nature and all other provisions of the Scheme more particularly described in Exhibit "C" to the Petition and also in the Schedule hereto shall without any further act or deed be transferred to and vested in the Transferee Company and the same shall pursuant to the provisions of Section 394 of the Companies Act, 1956 stand transferred to and vested in the Transferee Company so as to become the property of the Transferee Company AND THIS COURT DOTH FURTHER ORDER THAT with effect from the appointed day, all debts, liabilities, duties and obligations of the Transferor Company be transferred, without further act or deed, of the Transferee Company and the same shall pursuant to Section 394 of the Companies Act, 1956 stand transferred to the Transferee Company so as to become the debts, liabilities, duties and obligations of the Transferee Company AND THIS COURT DOTH FURTHER ORDER that all legal proceedings by or against the Transferor Company pending at the date on which the Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be and as if, instead of the Transferor Company, the Transferee Company had been a party thereto AND THIS COURT DOTH HEREBY FURTHER ORDER that in consideration of vesting of the assets and liabilities of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot Equity Shares to the members of the Transferor Company whose names are recorded in its Register of Members or to such of their respective heirs, executors, administrators or legal representatives or successors in title as the case may be recognised by the Board of Directors of the Transferee Company in the following ratio, viz. 27 (twenty seven) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at par credited as fully paid up for every 5 (five) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each in the Transferor Company AND THIS COURT DOTH HEREBY FURTHER ORDER that the Transferee Company do within 30 days of the sealing of the order sanctioning the Scheme of Amalgamation cause a certified copy of the order to be delivered to the Registrar of Companies, Maharashtra, Mumbai for registration and on such certified copy of order being so delivered, the Transferor Company shall stand dissolved without winding up and the Registrar of Companies,

Maharashtra, Mumbai shall place all the documents and records relating to the Transferee Company and the files relating to the said two companies shall be consolidated accordingly AND THIS COURT DOTH FURTHER ORDER that the parties to the Scheme of Amalgamation and any other person or persons interested therein shall be at liberty to apply to this Hon'ble Court for any directions that may be necessary in regard to the working of the Scheme of Amalgamation AND THIS COURT DOTH FURTHER ORDER that the Petitioner Company do pay a sum of Rs. 1,000/- (Rupees One Thousand only) to the Regional Director, Department of Company Affairs, Maharashtra, Mumbai towards costs of the said Petition WITNESS SHRI YOGESH KUMAR SABHARWAL, the Chief Justice at Bombay, aforesaid this 24th day of January, 2000.

SEAL

By the Court

Sd/- A. P. Kothari

Sd/- A. P. Kothari

This 23rd day of February, 2000

For PROTHONOTARY & SENIOR MASTER

ORDER Sanctioning the Scheme of	}
Amalgamation under Section 391 to	}
394 of the Companies Act, 1956 drawn	}
on the Application of M/s. Manilal Kher	}
Ambalal & Co., Advocates for the	}
Petitioners, having their office at	}
Mulla House, 51, Mahatma Gandhi Road,	}
Fort, Mumbai - 400 023.	}

SCHEDULE

SCHEME OF AMALGAMATION OF

NEBULA CHEMICALS LIMITED

WITH

PIDILITE INDUSTRIES LIMITED

1. With effect from 1st day of April, 1999 (hereinafter called the “Appointed Day”) the entire undertaking of Nebula Chemicals Ltd., a deemed Public Limited Company registered under the provisions of the Companies Act, 1956 and having its Registered Office at 7th Floor, Regent Chambers, Jamnalal Bajaj Marg, Nariman Point, Mumbai : 400 021 (hereinafter called “the Transferor Company”) including all its reserves, properties, movable and immovable and assets of all types and nature such as leases, its factory premises situated at Plots No. 229-232, 241 & 242 at Jawahar Co-operative Industrial Estate, Kamothe, Panvel, Dist. Raigad, under lease from the Maharashtra Industrial Development Corporation, staff Quarters No. KL-6, Building No. 9, Room No. 9 & 14, KL-5, Building No. 44, Room No. 4, KL-5, Building No. 45, Room No. 8, KL-5 Building NO. 46, Room No. 9, KL-5, Building No. 47, Room No. 4 all at Sector 3E, CIDCO Colony, Kalamboli, Dist Raigad, and Office premises Room No. 211 to 213 Himalaya house, 2nd Floor, Himalaya House Company Ltd., at 79, Palton Road, Mumbai-400001, other tenancy rights, licences, leave and licence agreements, investments, Units of Mutual funds, Deposits registration with D.G.T.D. and Industrial licences, permits, quotas, power connection, trade mark, patents, designs, technical know-how, import and export benefits, modvat credit available under Central Excise and Salt Act, 1944 and the notifications, thereunder, various exemptions/incentives granted under different schemes of State/Central Governments, other licences, telephones, telexes and fax, benefits of all agreements and all other interests, rights, and powers of every kind, nature and description whatsoever, all such undertaking, properties, assets, interest, benefits, rights and powers etc. and hereinafter for brevity's sake referred to as “the said Undertaking” shall, without any further act or deed, be and shall stand transferred to and vested in or be deemed to have been transferred to and vested in PIDILITE INDUSTRIES LIMITED, a Public Limited Company registered under the provisions of the Companies Act, 1956 and having its Registered Office at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai - 400 021, (hereinafter called “the Transferee Company”) as per Section 391-394 of the Companies Act, 1956.
2. With effect from the Appointed Day, all debts, liabilities, duties and obligations of the Transferor Company shall also be and stand transferred, without further act or deed, to the Transferee Company, as per Section 391-394 of the Companies Act, 1956 so as to become as from that day, the debts, liabilities, duties and obligations of the Transferee Company.
3. This Scheme, although effective from the Appointed day shall not become operative until the last of the following dates namely :
 - (a) That on which the last of the sanctions, approvals, permissions, resolutions and orders specified in clause 18 hereinafter of the Scheme are obtained or passed; and

- (b) that on which all necessary certified copies of the Courts' order under Section 391 - 394 of the Act shall be duly filed with the Registrar of Companies. The last of such date shall be the “Operative Day” for the purpose of this Scheme.
4. With effect from the Appointed Day and upto the date on which this scheme finally becomes operative, the Transferor Company shall be deemed to carry on all the business and activities and stand possessed of all properties so to be transferred for and on account of and in trust for the Transferee Company and the profits accruing to the Transferor Company or losses arising or incurred by it shall, for all purposes be treated as the profits or losses of the Transferee Company as the case may be and the Transferor Company shall not alienate, charge or otherwise deal with the said Undertaking or any part thereof except in the ordinary course of its business, without the consent of the Transferee Company.
5. All legal proceedings by or against the Transferor Company pending at the date on which this Scheme shall finally become operative, shall be continued and enforced by or against the Transferee Company as the case may be and as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
6. Subject, to the other provisions of this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature subsisting or having effect immediately before this Scheme becomes finally operative, to which the Transferor Company is a party, shall be in full force and effect against or in favour as the case may be of the Transferee Company, and enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
7. As per the last audited balance sheet as at 31st March, 1999 the Authorised Share Capital of the Transferor Company was Rs. 10,00,000/- (Rupees Ten Lakhs only) divided into 1,00,000 (One Lakh) Equity Shares of Rs. 10/- (Rupees Ten) and the Issued, Subscribed and Paid-up Capital of Transferor Company was Rs. 7,00,000/- (Rupees Seven Lakhs only) divided into 70,000 (Seventy Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each.
8. As per the last audited balance sheet as at 31st March, 1999 the Authorised Share Capital of the Transferee Company was Rs. 20,00,00,000/- (Rupees Twenty Crores only) divided into 2,00,00,000 (Two Crore) shares of Rs. 10/- (Rupees Ten only) each as detailed below :

1,47,75,000 Equity Shares of Rs. 10/- each amounting to	: Rs. 14,77,50,000
2,25,000 15% Preference Shares of Rs. 10/- each amounting to	: Rs. 22,50,000
50,00,000 Unclassified Shares of Rs. 10/- each amounting to	: Rs. 5,00,00,000
	Rs. 20,00,00,000

and the Issued, Subscribed and Paid-Up Capital of Transferee Company was Rs. 12,24,20,000/- (Rupees Twelve Crores Twenty Four Lakhs Twenty Thousands only) divided into 1,22,42,000 (One Crore Twenty Two Lakhs Forty Two Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each.

9. (a) In consideration of vesting of the properties, assets, debts, liabilities, duties and obligations of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall issue and allot Equity Shares to the members of the Transferor Company whose names are recorded in its Register of Members or to each of their respective heirs, executors, administrators or legal representatives or successors in title as the case may be recognised by the Board of Directors of the Transferee Company in the following ration, namely 27 (Twenty Seven) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each of the Transferee Company shall be issued and allotted at per credited as fully paid up for every 5 (five) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each in the Transferor Company. In this way, Transferee Company shall issue and allot total 3,78,000 (Three Lakhs Seventy Eight Thousand) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each at par credited as fully paid up to the members of transferor Company or their heirs, executors, administrators or other legal representative or their successors in title as the case may be, for 70,000 (Seventy Thousand) Equity Shares of the face value of Rs. 10/- (Rupees Ten) each held by them in Transferor Company.
 - (b) No fractional certificate shall be issued by the Transferee Company in respect of the fractional rights to which the members of the Transferor Company may be entitled to on issue and allotment of the shares by the Transferee Company as aforesaid. The Directors of the Transferee Company shall in their discretion be entitled to either ignore the fractions in any or issue share or shares in lieu of thereof as they may in their discretion decide.
 - (c) The Equity Shares of Rs. 10/- (Rupees Ten) each in the capital of the Transferee Company to be allotted pursuant to sub-clause (a) hereof shall rank for dividend, voting rights and in all respect pari passu with the existing Equity Shares of the Transferee Company. PROVIDED THAT ANY SUCH dividend payable on the said Equity Shares in the capital of the Transferee Company shall become due and payable only after the Scheme becomes effective and binding in terms hereof.
 - (d) Save as specifically provided in this Scheme, the Transferor Company and/ or the Transferee Company may make any change in their capital structure as referred to in the Scheme either by any increase (by issue of right shares, Equity or Preference Shares, bonus shares, convertible debentures or otherwise) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner subject to mutual consent of the Board of Directors of both the Companies.
10. The Transferor Company shall not declare any dividend to its members for the year commencing from and after 1st April, 1999 without the consent in writing of the Transferee Company.
 11. The Transferee Company shall take over all such employee if any, of the Transferor Company as are willing to join the Transferee Company, on the same terms on which they are employed by the Transferor Company and they shall be entitled to the benefits and perquisites to which they were entitled to as Employees of the Transferor Company even after the Scheme becomes finally effective. Their services with the Transferor Company prior to such taking over will not be treated as having been broken for the purposes of the provident fund, Gratuity and other benefits if any and will be reckoned for all such purposes from the date of their respective appointments with the Transferor Company.

12. Nebula Chemicals Ltd Employees Group Gratuity-cum-Life Assurance Scheme formed under a Deed of Trust dated 1st October, 1983 shall merge with Pidilite Industries Ltd. and Associate Concerns “Employees” Group Gratuity-cum-Life Assurance Scheme formed under a Deed of Trust dated 24th May, 1971.
13. On the Scheme becoming operative the Transferor Company shall be dissolved without winding up.
14. The Transferor Company and the Transferee Company, each shall with all reasonable despatch make application under Section 391 - 394 of the Companies Act, 1956 to the High Court in Bombay for sanctioning the Scheme of Amalgamation and for dissolution of the Transferor Company without winding up.
15. The Transferor Company by its Directors and the Transferee Company by its Directors may assent on behalf of all persons concerned to any modifications or amendments of this Scheme or any of the conditions which the Court may deem fit to approve of or impose and solve all difficulties that may arise for carrying out the scheme and do all acts, deeds and things necessary for putting the scheme into effect.
16. For the purpose of giving effect to this Scheme of Amalgamation or to any modification thereof the Directors of the Transferee Company both on behalf of Transferor Company as well as Transferee Company may give and are authorised to give such direction including directions for settling any questions of doubt or difficulty that may arise.
17. On the amalgamation of Transferor Company with the Transferee Company becoming operative, the Transferee Company through its Directors shall be competent to carry out all such acts and powers as the Directors of Transferor Company were competent to do including preparation of Accounts of the Transferor Company for the year ending 31-03-2000, Directors' Report, recommendation/ declaration of dividend, filing of Annual Returns and all other related matters. The Annual General Meeting of the Shareholders of Transferee Company will be competent to adopt the accounts of the Transferor Company for the year ending 31-03-2000.
18. The Scheme is conditional on and subject to :
 - (a) The sanction or approval of the Authorities concerned being obtained and granted in respect of the matters in respect of which such sanction or approval be required and requisite resolutions being passed.
 - (b) The approval of and agreement to the Scheme by the requisite majorities as may be directed by the High Court on the applications made for directions for calling meetings and necessary resolutions being passed under the Companies Act, 1956 for the purpose;
 - (c) The sanction of the High Court under Section 391 - 394 of the Companies Act, 1956 on behalf of the Transferor Company and the Transferee Company being obtained.
19. In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being Sanctioned by the Court and/or the Order or Orders not being passed as aforesaid before 30-09-2000 or within such further period or periods as may be agreed upon between the Transferor Company by its Directors and the Transferee Company by its Directors, this Scheme shall become null and

void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them and each party shall bear their respective costs, charges and expenses in connection with the Scheme of Amalgamation.

20. All costs, charges and expenses of the Transferor Company and Transferee Company respectively in relation to or in connection with this Scheme and of carrying out and completing the terms and provisions of this Scheme and incidental to the completion of amalgamation of the said Undertaking of Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company alone.



CERTIFIED TO BE A TRUE COPY

This 25th Day of February, 2000

Sd/-

For Prothonotary and Senior Master

IN HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 1237 OF 1999

CONNECTED WITH

COMPANY APPLICATION NO. 649 OF 1999

In the matter of Section 391 to 394 of
the Companies Act, 1956,

And

In the matter of Scheme of
Amalgamation of Nebula Chemicals
Limited with Pidilite Industries
Limited.

Pidilite Industries Ltd. Petitioner

**ORDER SANCTIONING THE SCHEME
OF AMALGAMATION**

Dated this 24th day of January, 2000

Filed this 23rd day of February, 2000

FC paid on : 25-02-2000
Applied on : 08-02-2000
Engrossed on : 25-02-2000
Section Writer : Sd/-
Folios : 18 Pages
Examined by : Sd/-
Compared with : Sd/-
Ready on : 25-02-2000
Delivered on : 25-02-2000

M/s. Manilal Kher Ambalal & Co.
Advocates for the Petitioner
Mulla House, 1st Floor,
51, Mahatma Gandhi Road, Fort,
Mumbai - 400 023.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 804 OF 2007

IN

COMPANY APPLICATION NO. 788 OF 2007

IN THE MATTER OF COMPANIES
ACT, 1956

AND

IN THE MATTER OF SECTIONS 78,
100, 391, 392, 393 AND 394 OF THE
COMPANIES ACT, 1956

VINYL CHEMICAL (INDIA) LIMITED } ... **TRANSFEROR COMPANY**

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 805 OF 2007

IN

COMPANY APPLICATION NO. 789 OF 2007

IN THE MATTER OF COMPANIES
ACT, 1956

AND

IN THE MATTER OF SECTIONS 391,
392, 393 AND 394 OF THE
COMPANIES ACT, 1956

PIDILITE INDUSTRIES LIMITED } ... **TRANSFeree COMPANY**

Senior Counsel Mr. Virag Tulzapurkar alongwith Mr. Kunal Vajani and Ms. Vedangi Tulzapurkar i/b. M/s. Wadia Ghandy & Co., Advocates for the Transferor and Transferee Company

Mr. C.J. Joy alongwith Mr. N. D. Sharma and Mr. S. K. Mohapatra for the Regional Director in both the Petitions.

CORAM : A. M. Khanwilkar J.

Date: December 14, 2007

PC:

1. Heard Counsel for parties.

2. The sanction of the Court is sought under the Sections 391 to 394 of the Companies Act, 1956 in respect of Scheme of Arrangement for the demerger of the Vinyl Acetate Monomer Manufacturing Unit of Vinyl Chemicals (India) Limited, the Transferor Company into Pidilite Industries Limited, the Transferee Company.
3. Counsel appearing on behalf of the Transferor and Transferee Company has stated that they have complied with all the requirements as per directions of the Court and they have filed necessary affidavits of compliance in this Hon'ble Court.
4. The Regional Director has filed an affidavit stating therein that the scheme provides for increase of the authorised share capital of the Transferee Company and therefore the Transferee Company be directed to comply with the provisions of Sections 94 and 97 read with Schedule X of the Companies Act, 1956 and file the necessary forms with the Registrar of Companies after payment of necessary fees and stamp duty, as applicable. The Regional director has further stated that the scheme is not prejudicial to the interest of creditors and shareholders and public. The Transferee Company however undertakes to comply with the provisions of Sections 94 and 97 read with Schedule X of the Companies Act, 1956 and file the necessary forms with the Registrar of Companies after payment of necessary fees and stamp duty, if applicable.
5. Upon perusal of the entire material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to any public policy. None of the parties concerned have come forward to oppose the Scheme.
6. Clause 12 of the Scheme provides that in consideration of the demerger the Transferee Company shall allot its shares to the shareholders of the Transferor Company in the manner specified therein. It also provides that at the time of allotment in the event there being any fraction which is less than half, the same shall be ignored and in the event the fraction exceeding half, the same shall be considered as one full share. It is clarified that in the event the fraction being exactly half the same shall be considered as one full share.
7. In spite of publication of the hearing of this Petition, no objection has been filed nor has any objection come forward to oppose this Petition. Accordingly, Petition is made absolute in terms of prayer clauses (a), (b) and (c).
8. The registration by the Registrar of Companies, Mumbai, of this Order, be published once each in "Free Press Journal" in English and "Maharashtra Times" in Marathi and also in The Maharashtra Government Gazette.
9. The Transferee Company to lodge copy of this Order and the Scheme with the concerned Superintendent of Stamps for the purpose of adjudication of stamp duty payable, if any, on the same within 30 days of obtaining the authenticated and/or certified copy of this Order.
10. The Transferor and the Transferee Company to pay costs of Rs. 5,000/- each to the "Pay & Accounts Officer, Ministry of Corporate Affairs". Costs to be paid within 4 weeks from today.
11. Filing and issuance of the drawn up is dispensed with. All concerned authorities to act on a copy of this Order duly authenticated by the Company Registrar High Court, Bombay.

Sd/-
(A. M. Khanwilkar J.)

SCHEME OF ARRANGEMENT
UNDER SECTION 391 READ WITH SECTION 394 OF
THE COMPANIES ACT, 1956
BETWEEN

Vinyl Chemicals (India) Limited...		Demerged Company / Vinyl
Pidilite Industries Limited	...	Resulting Company / Pidilite

and

their respective shareholders and creditors

PART I - INTRODUCTION AND DEFINITIONS

1. INTRODUCTION :

Vinyl was promoted by Pidilite as its principal promoter for manufacturing a critical item of raw material required by Pidilite in its activities, viz. Vinyl Acetate Monomer (VAM), which was done by Vinyl by setting up a manufacturing undertaking at Mahad in the State of Maharashtra. Over a period of time, Pidilite's strategic investment in Vinyl has been fruitful in that VAM manufactured at Mahad by Vinyl was purchased by Pidilite on an on-going basis which met with a very significant part of Pidilite's requirement for VAM. With the opening up of global frontiers, the availability of VAM by way of imports from other countries also opened up, and, because of the lower prices of VAM imported into India, a continuous pressure was built up on Vinyl to reduce its prices for VAM to be supplied, which fact, coupled with the phenomenal increases in the prices of petrochemicals (which are the essential input for the manufacture of VAM), have resulted in Vinyl suffering losses in five consecutive quarters. It may well be that the foregoing mismatch between the cost of manufacture and the realizable price for the finished products may be a cyclical or reversible phenomenon. In any event, Pidilite is critically interested in ensuring that supplies of VAM are available to it without having to depend on external agencies which, under unfavourable circumstances, can adversely affect the operations and profits of Pidilite. Furthermore, such continuous losses in Vinyl have resulted in higher indebtedness of Vinyl to loan creditors, the borrowing cost in respect of which has further accentuated the unfavourable business environment for VAM. Given Pidilite's critical need for VAM on a continuous and sustained basis without being subject to vagaries of outside or external supplies, it is advisable that, instead of Vinyl's manufacturing plant being owned by Vinyl, as hitherto, the same becomes part of Pidilite's operations, so to subserve the business objectives of Pidilite, which critically requires continuous and assured supplies of VAM. Accordingly, the scheme of arrangement in the nature of a demerger has been mooted by Vinyl and Pidilite so as to subserve the foregoing objectives and also to benefit the shareholders and other stake holders of Vinyl and Pidilite.

The Scheme of Arrangement amongst Vinyl and Pidilite and their respective shareholders and creditors provides for transfer by way of a demerger of the Undertaking (as defined herein) from Vinyl and its vesting in Pidilite, pursuant to

sections 391 to 394 and other relevant provisions of the Companies Act, 1956 in the manner provided for in the Scheme of Arrangement.

The Scheme of Arrangement has for ease of reference, been divided into the following parts:-

- (a) Part I, which deals with the introduction of the Scheme, the definitions of the expressions used in this Scheme and the share capital of Vinyl and Pidilite;
- (b) Part II, which deals with the demerger of the Undertaking;
- (c) Part III, which deals with the consideration for the demerger by way of issue of shares to the shareholders of Vinyl and the accounting treatment in the books of Vinyl and Pidilite;
- (d) Part IV, which deals with the Remaining Business;
- (e) Part V, which deals with the General Terms and Conditions of this Scheme.

The Board of Directors of both Vinyl and Pidilite are of the opinion that the Scheme of Arrangement with effect from the Appointed Date (as defined herein), is in the interest of shareholders, creditors and employees of both the companies and would facilitate better economics of scale, more productive and optimum utilisation of various resources and contribute in furthering and fulfilling objectives of these companies.

The Scheme of Arrangement also makes provision for various other matters consequential or related thereto and otherwise integrally connected therewith.

2. DEFINITIONS :

In this Scheme, unless repugnant to or inconsistent with the meaning or context “thereof, the following expressions shall have the meanings as ascribed to them:

- (a) “**Act**” means the Companies Act, 1956 including any statutory modifications, re-enactments or amendments thereof from time to time;
- (b) “**Appointed Date**” means the 1st day of April, 2007 or such other date as may be approved by the High Court;
- (c) “**Book Value**” means the value of the assets and specified liabilities of the Undertaking as appearing in books of accounts of Vinyl, at the close of business hours of the day immediately preceding the Appointed Date;
- (d) “**Effective Date**” means the last of the dates on which the conditions, sanctions, approvals or orders specified in Clauses 21, 23 and 24 of this Scheme have been fulfilled obtained or waived. References in this Scheme of the date of “**coming into effect of this Scheme**” or “**effectiveness of this Scheme**” shall mean the Effective Date;
- (e) “**High Court**” means the Hon’ble High Court of Judicature at Bombay and shall include the National Company Law Tribunal, if applicable, to which this Scheme of Arrangement in its present form is submitted for sanctioning under Sections 391 to 394 of the Act.

- (f) **“Pidilite” or “Resulting Company”** means Pidilite Industries Limited, a company incorporated under the provisions of the Companies, Act, 1956 and having its registered office at 7th Floor, Regent Chambers, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai 400 021;
- (g) **“Record Date”** means the date to be fixed by the Board of Directors or a Committee thereof constituted by the Board of Directors of Vinyl in consultation with Pidilite for the purposes of reckoning names of the equity shareholders of Vinyl, who shall be entitled to receive shares of Pidilite upon coming into effect of this Scheme as specified in Clause 12 of this Scheme;
- (h) **“Remaining Business”** means all the businesses of the Vinyl other than the Undertaking.
- (i) **“Scheme of Arrangement” or “Scheme” or “this Scheme” or “the Scheme”** means this Scheme of Arrangement made under section 391 to 394 of the Act amongst Vinyl, Pidilite, their respective shareholders and creditors, as amended / modified from time to time;
- (j) **‘Scheduled Bank’** means a Bank defined as a Scheduled Bank in India under the Reserve Bank of India Act, 1934;
- (k) **“Small Shareholder”** means a member holding less than 501 (five hundred and one) equity shares in Vinyl;
- (l) **“Specified Employees”** means:-
 - (i) those permanent employees of Vinyl, employed as on the Effective Date to be substantially engaged in or in relation to the Undertaking; and
 - (ii) those permanent employees of Vinyl, employed as on the Effective Date and as may be determined by the Board of Directors of Vinyl, to be substantially engaged in or in relation to the Undertaking.
- (m) **“Specified Liabilities” means :**
 - (i) all present and future liabilities (including contingent liabilities as on the Appointed Date, which arise out of the activities or operations of the Undertaking;
 - (ii) the specific borrowings as on the Appointed Date that are raised or incurred and utilized solely for the activities or operations of the Undertaking;
 - (iii) In cases other than those referred to in sub-clauses (i) or (ii) hereof, so much of the amounts of general or multipurpose borrowings (if any) of Vinyl as on the Appointed Date as stand in the same proportion which the book value of the assets transferred hereunder bears to the total book value of the assets of Vinyl.
- (n) **“Undertaking”** shall mean the Vinyl Acetate Monomer (VAM) manufacturing unit of Vinyl, which is a part of Vinyl viz. a division of business activity of Vinyl other than the Remaining Business and shall mean and include (without limitation):

- (i) all assets wherever situated, whether moveable or otherwise, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible present or contingent including all plant and machinery, electricals, offices, vehicles, capital work-in-progress, furniture, fixtures, office equipment, appliances, accessories, stock-in-trade, debtors appertaining or relating to the Undertaking;
- (ii) the Specified Liabilities relating to the Undertaking;
- (iii) all permits, quotas, rights (including rights under any, contracts, government contracts, concession agreement, non-possessory contractual rights or any other contracts), entitlements, industrial and other licenses, municipal permissions, MIDC permissions, approvals, concepts, patents, copyrights, all other intellectual property and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Undertaking, either solely or jointly with other parties, cash balances, benefit of any deposits, financial assets, corporate guarantees issued in relation to the Undertaking by Vinyl and benefits of any bank guarantees issued in relation to the undertaking for the benefit of Vinyl, funds belonging to or proposed to be utilized for Vinyl, privileges, all other claims, rights and benefits (including under any power of attorney(s) issued, by Vinyl in relation to the Undertaking or any power of attorney(s) issued in favour of Vinyl or from or by virtue of any proceeding before a legal, quasi judicial authority or any other statutory authority to which Vinyl was a party to) powers and facilities of every kind, nature and description whatsoever, in connection with or relating to the Undertaking
- (iv) benefits of agreements, contracts and arrangements, powers, authorities, permits, allotments, approvals, consents, privileges, liberties, advantages, easements and all the rights, title, interest, goodwill, benefit and advantage, benefits of all agreements, subsidies, incentives, grants, tax credits (including but not limited to credits in respect of income tax, sales tax, value added tax, turnover tax, service tax, fringe benefit tax, etc.) and other claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour or enjoyed by or relating to the Undertaking;
- (v) all records, files, papers, engineering and process information, computer programmes, drawings, manuals, data, catalogues, quotations, sales and advertising materials, list of present and former customers and suppliers, customer credit information and other records, whether in physical or in electronic form in connection with or relating to the Undertaking;
- (vi) the Specified Employees relating to the Undertaking ;
- (vii) all advances and/or earnest monies and/or security deposits paid by Vinyl in connection with or relating to the Undertaking.

Any question that may arise as to whether a specified asset or liability pertains or does not pertain to the Undertaking or whether it arises out of the activities or operations of the Undertakings shall be decided by the Board of Directors of Vinyl and Pidilite by mutual agreement.

- (o) **Vinyl**” or “**Demerged Company**” means Vinyl Chemicals (India) Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 7th Floor, Regent Chambers, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai 400 021;

3. DATE WHEN THE SCHEME COMES INTO OPERATION :

Though this Scheme shall become effective from the Effective Date, the provisions of this Scheme shall be applicable and come into operation from the Appointed Date.

4. SHARE CAPITAL :

- (a) The authorised, issued, subscribed and paid up share capital of Vinyl is as under:

(As on April 15, 2007)

Particulars	Amount in Rs.
Authorised :	
2,00,00,000 Equity Shares of Rs. 10/- each	20,00,00,000/-
Issued :	
1,83,43,984 Equity Shares of Rs. 10/- each	18,34,39,840/-
Subscribed and paid-up :	
1,83,37,111 Equity Shares of Rs. 10/- each	18,33,71,110/-
Add: Amount received on forfeited shares	42,100/-
Total	18,34,13,210/-

- (b) The Authorised, Issued, Subscribed and Paid up Share Capital of Pidilite is as under:

(As on April 15, 2007)

Particulars	Amount in Rs.
Authorised :	
27,50,00,000 Equity Shares of Re. 1/- each	27,50,00,000/-
2,50,00,000 Unclassified Shares of Re. 1/- each	2,50,00,000/-
Issued, subscribed and paid-up :	
25,23,94,000 Equity Shares of Re. 1/- each fully paid-up	25,23,94,000/-
Add: Bonus Share Suspense Account	6,000/-
Total	25,24,00,000/-

PART II - DEMERGER

5. (a) With effect from the Appointed Date, the Undertaking shall, pursuant to the provisions contained in Sections 391 to 394 and all other applicable provisions, if any, of the Act, without any further act, deed, matter or thing (save and except as provided in sub clauses (b) to (d) below), be and the

same shall stand transferred to and vested in or be deemed to be transferred to and vested in Pidilite so as to become the property of Pidilite with effect from the Appointed Date, free from all encumbrances, but subject to the charges existing thereon on the Appointed Date in favour of the financial agencies and/ or the concerned secured creditors of Vinyl if and only if such charges relate to or are appertaining to the liabilities and debts of the Undertaking. The assets and the Specified Liabilities pertaining to the Undertaking shall be transferred at Book Value

- (b) All the moveables including cash in hand, if any, of the Undertaking capable of passing by manual delivery, shall be so delivered or endorsed as the case may be, to Pidilite;
- (c) In respect of movables of the Undertaking other than those specified in sub-clause (b) above, including sundry debtors, outstanding loans, and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies and customers and other persons pertaining to the Undertaking, the following modus operandi for intimating to third parties shall to the extent possible be followed:
 - (i) Vinyl may give notice in such form as it may deem fit and proper, to each person, party, debtor, lonee or depositor as the case may be, belonging to or related to the Undertaking, that pursuant to the High Court having sanctioned the Scheme, the said debt, loan, advances, bank balances or deposits be paid or made good or held on account of Pidilite as the person entitled thereto to the end and intent that the right of Vinyl to recover or realise the same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;
 - (ii) Pidilite may also give notice in such form as it may deem fit and proper to each person, debtor, lonee or depositor, as the case may be, belonging to or related to the Undertaking, that pursuant to the High Court having sanctioned the Scheme, the said debt, loan or deposit be paid or made good or held on account of Pidilite and that the right of Vinyl to recover or realize the same stands extinguished.
- (d) In relation to other assets belonging to Undertaking, which require separate documents for transfer, or which Vinyl and/or Pidilite otherwise desire to be transferred separately, Vinyl and Pidilite each will execute such deeds, documents or such other instruments or writings or create evidence, if any, as may be necessary.
- (e) All assets, estate, rights title, interest and authorities acquired by Vinyl after the Appointed Date and prior to the Effective Date for operation of the Undertaking shall also stand transferred to and vested in Pidilite upon the coming into effect of this Scheme.
- (f) Without prejudice to the other provisions of this Scheme, Pidilite may, at any time, after the Scheme comes into effect in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which Vinyl is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. Vinyl will, if necessary, also be a party to the above.

Pidilite shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of Vinyl and to carry out or perform all such formalities or compliances referred to above on the part of Vinyl to be carried out or performed.

- (g) For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that:-
 - (i) all consents, permissions, certificate, authorities given by, issued to or executed in favour of Vinyl in respect of the Undertaking shall stand transferred to and be available for Pidilite as if the same were originally given by, issued to or executed in favour of or for Pidilite, and for the business of the Undertaking and the rights and benefits under the same shall be available to Pidilite;
 - (ii) if any of the assets (rights, title, interest in or authorities relating to such or, any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Undertaking which Vinyl owns or to which Vinyl is a party to), cannot be transferred to Pidilite for any reason whatsoever, Vinyl shall hold such assets or contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust and for the benefit of Pidilite, until the same are transferred and vested in Pidilite;
 - (iii) the Remaining Business shall continue to be owned or owed by Vinyl.
- 6. All legal or other proceedings by or against Vinyl pending on the Effective Date and relating to the Undertaking, including property rights, powers, liabilities, obligations and duties of Vinyl shall continue and be enforced by or against Pidilite in the same manner and to the same extent as it would or might have been continued and enforced by or against Vinyl. Any other legal or other proceedings relating to Vinyl pending on the Effective Date shall continue and remain enforced by or against Vinyl.
- 7. With effect from the Appointed Date and upto and including the Effective Date :
 - (a) Vinyl shall be deemed to have been carrying on and shall carry on all business and activities relating to the Undertaking and stand possessed of the properties to be transferred, for and on account of and in trust for Pidilite including but without limitation, manufacturing and marketing activities, and payment of advance income tax, sales tax, excise and other statutory levies, etc.
 - (b) all profits accruing to Vinyl or losses arising or incurred by it relating to the Undertaking shall, for all purposes, be treated as the profits or as the case may be losses, of Pidilite.
- 8. (a) Vinyl hereby undertakes, from the Appointed Date upto and including the Effective Date to carry on the business of the Undertaking with proper prudence and not to alienate or otherwise deal with or dispose of the Undertaking or any part thereof otherwise than in the ordinary course of the business of the Undertaking.

- (b) Pidilite shall be entitled, pending the sanction of the Scheme, to apply to the Central/State Governments and all other agencies, departments and authorities concerned as are necessary under any law, for such consents, approvals and sanctions, which Pidilite may require to own and operate the Undertaking.
- 9.
 - (a) Pidilite undertakes to engage, on and from the Effective Date, all Specified Employees of Vinyl desirous of joining Pidilite on the same terms and conditions on which they are engaged as on the Effective Date by Vinyl without any interruption of service as a result of the transfer or on terms and conditions not less favorable than those subsisting with reference to Vinyl as on the said date, as if they were in continuous service. Pidilite agrees that the services of all such employees with Vinyl as on the said date, shall be considered for the purpose of all retirement benefits to which, they may be entitled to in Vinyl on the Effective Date. Pidilite further agrees that for the purpose of payment of any retrenchment compensation, such past services with Vinyl shall also be taken into account.
 - (b) The accounts of the employees of Vinyl specified in sub-clause (a) above, relating to the superannuation fund, provident fund, gratuity fund and other funds including any surplus in such funds shall be identified, determined and transferred to the trustees of the respective funds of Pidilite.
- 10. Except as provided in the Clauses above, Pidilite shall accept all acts, deeds and things relating to the Undertaking done and executed by and/or on behalf of Vinyl on or after the Appointed Date as acts, deeds and things done and executed by and/or on behalf of Pidilite
- 11. Subject to other provisions of this Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature relating to the Undertaking, to which Vinyl is a party, subsisting or having effect on or before the Effective date shall be in full force and effect against or in favour of Pidilite and may be enforced as fully and effectually, as if, instead of Vinyl, Pidilite had at all material times been a party thereto. All contracts, deeds, bonds, agreements, insurance policies and other instruments of whatsoever nature other than those relating to the Undertaking to which Vinyl is a party subsisting or having effect on or before the Effective Date shall be in full force and effect against or in favour of Vinyl.

PART III - ISSUE OF SHARES BY PIDILITE

- 12. In consideration of the demerger of the Undertaking from Vinyl and consequent vesting thereof into Pidilite, Pidilite shall allot its shares to the shareholders of Vinyl in the manner specified below:
 - (a) In so far as it relates to the shares already held by Pidilite in Vinyl on the Record Date are concerned, no allotment of shares shall be made by Pidilite.
 - (b) In so far as Small Shareholders are concerned, each of them shall be allotted 1 (one) 6% Cumulative Redeemable Preference Share of Rs. 10/- (Rupees Ten only) each treated as fully paid in Pidilite against every 1 (one) fully paid up equity share of Rs. 10/- (Rupees Ten only) each held by it in Vinyl. Such Preference Shares being redeemable by Pidilite not later than the expiry of a period of 18 (eighteen) months from the date on which such Preference Share is allotted, unless the Small Shareholder exercises an

option by filling up and signing the form set out at Annexure I to this Scheme and submitting the same to Pidilite within two weeks from the Record Date, for being allotted 1 (one) equity share of the face and paid-up value of Re. 1/- (Rupee One only) each in Pidilite against every 12 (twelve) fully paid up equity shares of Rs. 10/- (Rupees Ten only) each held by it in Vinyl, with any fraction which is less than half being ignored and a fraction exceeding half being considered as one full share in Pidilite,

- (c) In so far as other shareholders are concerned each of them shall be allotted 1 (one) equity share of the face and paid-up value of Re. 1/- (Rupee one only) each in Pidilite against every 12 (twelve) fully paid up equity shares of Rs. 10/- each held by him in Vinyl, with any fraction which is less than half being ignored and a fraction exceeding half being considered as one full share in Pidilite,
- 13.** (a) Upon the allotment of shares as specified in Clause 12 hereof, the issued, subscribed and paid up share capital of Vinyl shall stand reduced from the present sum of Rs. 18,33,71,110/- (presently divided into 1,83,37,111 fully paid equity shares of Rs. 10/- each) to Rs. 1,83,37,111/- comprising 1,83,37,111 equity shares of Re. 1/- each fully paid and the amount of such reduction shall be dealt with in accordance with the provisions specified in Clause 18 hereof.
- (b) As a sequel to such reduction in the issued; subscribed and paid up share capital of Vinyl, Vinyl's Authorised share capital shall stand reduced by the amount of such reduction, the reduced share capital of Vinyl also having the par value of Re. 1/- (Rupee One only) each.
- (c) Concurrently with the reduction in the Authorised share capital of Vinyl as aforesaid, Pidilite's Authorised share capital shall stand increased by the amount of reduction specified in sub-clause (b) hereof, the increased number of shares of Pidilite also having the par value of Re. 1/- (Rupee One only) each.
- (d) The Memorandum and Articles of Association of Vinyl as also Pidilite shall thereupon stand amended or altered so as to reflect therein the revised Authorised share capital figures as aforesaid.
- 14.** The equity shares to be issued to the shareholders of Vinyl pursuant to the Scheme shall rank for dividend, voting rights and in all other respect pari passu with the existing equity shares of Pidilite.
- 15.** The equity shares to be issued by Pidilite pursuant to the Clause 12 above shall be issued in dematerialised form by Pidilite, unless otherwise notified in writing by the shareholders of Vinyl to Pidilite on or before such date as may be determined by the Board of Directors of Vinyl or a committee thereof. In the event of Pidilite not receiving such notice from any of members of Vinyl, the equity shares shall be issued to the members of Vinyl in a dematerialised form provided however, that the members of Vinyl shall have an account with a depository participant and shall have provided details thereof and such other confirmations as may be required to Pidilite. In the event of Pidilite receiving a notice from any member that the equity shares are to be issued in physical form or if any member does not provide the requisite details relating to his / her / its accounts with a depository participant or other confirmations as may be required or if the details furnished by any member do not permit electronic credit of the shares of Pidilite, then Pidilite shall be entitled to issue equity shares in physical form to such member or members.

16. Equity shares of Pidilite issued in terms of Clause 12 of this Scheme will be listed and/or admitted to trading on the Bombay Stock Exchange and National Stock Exchange, being the stock exchanges where the shares of Pidilite are presently listed and traded. Pidilite shall enter into such arrangements and give such confirmations 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. On such formalities being fulfilled the said Stock Exchanges shall list and/or admit such equity shares also for the purpose of trading.
17. Soon after the Effective Date, Vinyl shall use its best endeavours to ensure that the equity shares in Vinyl continue to enjoy listing on a recognized Stock Exchange and if, despite such endeavours, such continued listing cannot be procured within a period of 24 (Twenty-four) months from the Effective Date, Pidilite shall buy over all the then issued and paid up shares of Vinyl from all shareholders other than Pidilite at the paid-up value and such buying of Vinyl's shares by Pidilite shall not require any offer and acceptance and the same shall be effectuated by Pidilite appointing a Scheduled Bank to do all of the following:
 - 17.1 'Receiving the requisite sum from Pidilite and keeping it in a separate, earmarked account styled as "VINYL SHARE PURCHASE ACCOUNT";
 - 17.2 Sending to each shareholder of Vinyl (other than Pidilite) as on the date on which such period of twenty-four months expires a banker's cheque for the purchase price of shares computed as aforesaid held by each shareholder;
 - 17.3 Handing over any amount that may remain uncollected or uncleared within twelve months from the date on which the foregoing account was opened to the credit of Investor Education and Protection Fund specified in Section 205-C of the Companies Act, 1956.

Upon the above being done, the shares of the foregoing shareholders of Vinyl shall be deemed to have been purchased by Pidilite without any further act or deed and the relative share capital shall stand cancelled and/or extinguished without any further or other act or deed.
18. Upon the Scheme coming into effect, the following shall be the accounting treatment given to the vesting of the Undertaking in Pidilite, share capital reduction as specified in Clause 13 and the allotment of shares to the shareholders of Vinyl in terms of Clause 12 of the Scheme and other related aspects :
 - 18.1 Pidilite shall deal with the foregoing issues in so far as they are relevant to it as under:-
 - 18.1.1 The assets and liabilities comprised in the Undertaking that are the subject matter of vesting in Pidilite under the Scheme shall be recorded in the books of Pidilite at Book Value.
 - 18.1.2 The excess of the values of assets of Vinyl over the amounts of its liabilities shall, in the first instance be credited in the books of Pidilite to an account styled as "Demerger Suspense Account".
 - 18.1.3 The carrying value of Pidilite's investment in the equity shares of Vinyl shall first be reduced so as to result in the carrying value of such investments to be a sum representing 10 % of

the earlier carrying value and the amount of such reduction in the carrying value shall be debited to the Demerger Suspense Account.

18.1.4 If any loss on impairment in respect of the Undertaking needs to be recognised by Pidilite in compliance with AS-28 (“Impairment of Assets”) issued by the Institute of Chartered Accountants of India, the same shall be debited to the Demerger Suspense Account set up in terms of Clause 18.1.2 hereof and not debited or charged to the Profit and Loss Account of Pidilite.

18.1.5 The paid up value of shares issued and allotted by Pidilite to the shareholders of Vinyl in terms of Clause 12 hereof shall be transferred or utilised from out of the foregoing Demerger Suspense Account.

18.1.6 If the result of the foregoing is a credit balance remaining in the Demerger Suspense Account, the same shall be credited to the General Reserve Account of Pidilite and if such result is a debit balance in the Demerger Suspense Account, the same shall be debited to the General Reserve Account appearing in the books of Pidilite as on the Appointed Date.

18.2 Vinyl shall record the foregoing vesting of the Undertaking etc., pursuant to the Scheme as under:

18.2.1 The book values of the assets comprised in the Undertaking shall be transferred to the debit of an account styled as “Reconstruction Adjustment Account”.

18.2.2 The book values of the liabilities comprised in the Undertaking shall be transferred to the credit of the foregoing Reconstruction Adjustment Account.

18.2.3 The amount of reduction in Vinyl’s Share Capital in terms of Clause 13 hereof shall be credited to the foregoing Reconstruction Adjustment Account.

18.2.4 If any balance remains in the Reconstruction Adjustment Account, the same shall be debited to the Securities Premium Account or, as the case may be, credited to the General Reserve Account appearing in the books of Vinyl on the Appointed Date.

19. The application and consequential reduction of the share capital and Securities Premium Account, as above, shall be effected as an integral part of the Scheme itself and shall be deemed to be in accordance with the provisions of Sections 78, 100, 102, 103 of the Act, as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid – up share capital. The order of the High Court sanctioning the Scheme shall be deemed to be an order under Section 102 of the Act confirming the reduction without imposing a condition of Vinyl or Pidilite to add to its name the words “and reduced”. The provisions of Section 101 of the Act will not be applicable.

PART IV - REMAINING BUSINESS TO CONTINUE WITH VINYL

- 20.** (a) The Remaining Business shall continue to belong to and be vested in and be managed by Vinyl.
- (b) With effect from the Appointed Date and upto and including the Effective Date:
- (i) Vinyl shall carry on and shall be deemed to have been carrying on all business and activities relating to the Remaining Business for and on its own behalf;
 - (ii) all profits accruing to Vinyl 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 Vinyl; and
 - (iii) all assets and properties acquired by Vinyl in relation to the Remaining Business on or after the Appointed Date shall belong to and continue to remain vested in Vinyl.

PART V – GENERAL TERMS AND CONDITIONS

21. APPLICATIONS TO THE HIGH COURT :

- (a) Vinyl and Pidilite shall, with all reasonable dispatch, make applications to the High Court under Sections 391 of the Act, seeking orders for dispensing with or convening as the case may be, the holding and conducting of the meetings of the respective classes of the members and/or creditors of Vinyl and Pidilite as may be directed by the High Court.
- (b) On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of Vinyl and Pidilite as directed by the High Court, Vinyl and Pidilite shall respectively with reasonable dispatch, apply to the High Court for sanctioning the Scheme of Arrangement under Sections 391 and 394 of the Act, and for an order or orders as the High Court may deem fit for carrying this Scheme into effect.

22. MODIFICATIONS / AMENDMENTS TO THE SCHEME :

Vinyl (by its Directors) and Pidilite (by its Directors) may, in their full and absolute discretion, assent to any alterations or modifications in this Scheme which the Court may deem fit to approve or impose and may give such directions as they may consider necessary to settle any questions or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholder of the respective Companies). In the event that any conditions are imposed by the said High Court which Vinyl or Pidilite find unacceptable for any reason whatsoever then Vinyl and/or Pidilite shall be entitled to withdraw from the Scheme in which event no rights and liabilities whatsoever shall accrue to or be incurred inter se to or by the parties or any of them.

23. CONDITIONALITY OF SCHEME :

The Scheme is conditional upon and subject to:

- (i) The Scheme being agreed to by the respective requisite majorities of the various classes of members and creditors (where applicable) of Vinyl and Pidilite as required under the Act and the requisite order or orders of the High Court referred to in Clause 21 hereof being obtained;
 - (ii) The sanction of the High Court under Sections 391 and 394 of the Act, being obtained;
 - (iii) The requisite sanctions or approvals including but not limited to in-principle approvals, sanctions of any governmental or regulatory authority, as may be required by law in respect of the Scheme being obtained; ;
 - (iv) the certified copies of the orders of the High Court referred to in Clauses (ii) above being filed with the Registrar of Companies, Maharashtra; and
 - (v) Such other sanctions and approvals as may be required by law in respect of the Scheme being obtained.
- 24.** This Scheme although to come into operation from the Appointed Date shall not become effective until the last of the following dates, namely:
- (a) the date on which the last of the aforesaid consents, approvals, permissions, resolutions and orders as mentioned in Clause 21 shall be obtained or passed; or
 - (b) the date on which all necessary certified copies of orders under Sections 391 to 394 of the Act shall be duly filed with the Registrars of Companies, Maharashtra.
- The last of such dates shall be the “Effective Date” for the purpose of this Scheme.
- 25.** All costs, charges and expenses including stamp duty, if any and 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 Pidilite and shall be treated as costs relating to the demerger.
- 26. REVOCATION OF THE SCHEME :**
- In the event of this Scheme failing to take effect finally before 31st March, 2008, or within such further period or periods as may be decided by Vinyl (by its Directors), this scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or incurred inter se to or by the Parties or any one of them.

ANNEXURE I

(Form to be filled up and submitted by a Small Shareholder* of Vinyl for allotment of equity shares in Pidilite, pursuant to the demerger of the Undertaking into Pidilite)

Date: _____

The Board of Directors,
Pidilite Industries Ltd.,
7th Floor, Regent Chambers
Jamnalal Bajaj Marg
Nariman Point
Mumbai-400 021

Dear Sirs,

Pursuant to Clause 12 of the Scheme for the demerger of the Undertaking of Vinyl Chemicals (India) Ltd. into Pidilite Industries Ltd. I / We hereby exercise the option of being allotted Equity Shares in Pidilite Industries Ltd. in terms of the foregoing Scheme. Accordingly I / We request that Equity Shares in Pidilite Industries Ltd. may be allotted to me / us in accordance with the foregoing Scheme.

Yours faithfully,

Folio No.	Name of the Shareholder/s	Shares held in physical form			Shares held in Dematerialised form	No. of Shares
		Certificate No.	Distinctive Nos.		Account No.	
			From	To		

NB: This form should be signed by the shareholder/s in conformity with the specimen signature/s as on the record of the Company and to be sent to TSR Darashaw Ltd. Registrar & Transfer Agent of the Company at their following address:

6-10, Haji Moosa Patrawala Ind. Estate,
20, Dr. E. Moses Road, Mahalaxmi,
Mumbai - 400 011

* *Small Shareholder means a member holding less than 501 (five hundred and one) equity shares in Vinyl*

IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022

Connected with

C.A.(CAA)/237/MB-V/2021

In the matter of

Section 230-232 of the Companies Act,
2013 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Compromises, Arrangements
and Amalgamations) Rules, 2016;

In the matter of

Scheme of Amalgamation of PIDILITE
ADHESIVES PRIVATE LIMITED, the
Transferor Company with PIDILITE
INDUSTRIES LIMITED, the Transferee
Company and their respective
shareholders

PIDILITE ADHESIVES PRIVATE LIMITED

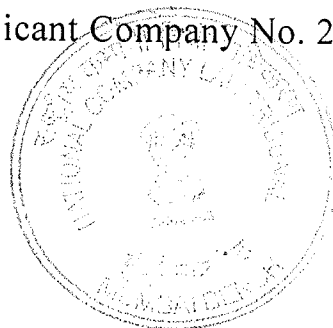
CIN: U24299MH2019PTC331068

... Applicant Company No. 1

PIDILITE INDUSTRIES LIMITED

CIN: L24100MH1969PLC014336

... Applicant Company No. 2



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

Order delivered on 07.03.2022

Coram:

Ms. Suchitra Kanuparthi : Hon'ble Member (Judicial)
Ms. Anuradha Sanjay Bhatia : Hon'ble Member (Technical)

Appearances (via videoconferencing):

For the Applicants : Mr Ahmed M Chunawala, i/b
Rajesh Shah & Co, Advocates
For the Regional Director (WR) : Ms. Rupa Sutar, Deputy Director

Per: Anuradha Sanjay Bhatia, Member (Technical)

ORDER

1. The Bench is conveyed by videoconference.
2. Heard the Learned Counsel for the Petitioner Companies. Neither any objector has come before this Tribunal to oppose the Scheme nor has any party controverted any averments made in the Petition filed for the Scheme of Amalgamation of Pidilite Adhesives Private Limited with Pidilite Industries Limited.
3. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

Amalgamation of PIDILITE ADHESIVES PRIVATE LIMITED,
the Transferor Company with PIDILITE INDUSTRIES LIMITED,
the Transferee Company and their respective shareholders.

4. The Petitioner Companies have approved the said Scheme of Amalgamation by passing the Board Resolutions dated 6th September, 2021 which are annexed to the respective Company Scheme Petition.
5. The Learned Counsel appearing on behalf of the Petitioner Companies states that the Petition has been filed in consonance with the Order passed in the Company Scheme Application No. 237 of 2021 of the Hon'ble Tribunal.
6. The Learned Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the National Company Law Tribunal, Mumbai Bench and they have filed necessary affidavit of compliance before the National Company Law Tribunal, Mumbai Bench.
7. The Learned Counsel for the Petitioner Companies states that the First Petitioner Company is presently engaged in the business of adhesives and that the Second Petitioner Company is presently engaged in the business of adhesives, sealants, waterproofing solutions, construction chemicals, arts and crafts, industrial resins, polymers, etc.
8. The Learned Counsel for the Petitioner Companies states that the Scheme of Amalgamation will lead to the following benefits:



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

- a. The merger will result in achieving greater integration and greater financial strength and flexibility and to maximize overall shareholders' value.
- b. The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements.
- c. The merger will result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value.
- d. The merger will assist in exploring sales synergies with increased distribution of products of the Amalgamating Company through distribution' network of the Amalgamated Company.
- e. The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc.
- f. The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

present to be carried out by both the Amalgamating Company and the Amalgamated Company.

- g. The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved.
- h. The merger will result in simplification of group structure.

9. Consideration/ Cancellation of Shares of the Amalgamating Company.

Amalgamating Company is the wholly owned subsidiary of Amalgamated Company. Since Amalgamated Company cannot issue shares to itself, upon the scheme become effective, no shares of the Amalgamated Company shall be allotted to the shareholder of the Amalgamating Company (i.e. Amalgamated Company) in lieu or exchange of its holding in the Amalgamating Company and the entire issued, subscribed and paid-up capital of the Amalgamating Company shall stand cancelled without any further act or deed.

10. The Regional Director has filed his Report dated 01st March, 2022 *inter-alia* making the following observations in Paragraphs IV (a) to (h) which are reproduced hereunder:

Para	Observation by the Regional Director	Undertaking of the Petitioner Company
IV(a)	In compliance of AS-14 (IND AS-I03), the Petitioner	So far as the observation in paragraph IV (a) of the Report of



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

	Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.	the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Transferee Company undertakes that in addition to compliance of Ind AS-103,, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable accounting standards such as Ind AS 8, etc.
IV(b)	Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees payable by the transferee company on its authorised capital subsequent to the	So far as the observation in paragraph IV (b) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the setting off of fees paid by the Transferor Company on its Authorised Share Capital shall be accordance with provisions of section 232(3)(i) of the Companies Act, 2013.



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

	amalgamation and therefore, petitioners to affirm that they comply the provisions of the section.	
IV(c)	The Petitioners under provisions of Section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Compromise or arrangement. Further, the approval of the Scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The decision of such Authorities is binding on the Petitioner Company(s).	So far as the observation in paragraph IV (c) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the notices have been served to the concerned authorities as per the directions of the Hon'ble NCLT. Further, the Learned Counsel for the Petitioner Companies submits that issues (if any) arising out of the present Scheme of Amalgamation will be dealt with in accordance with the provisions of law.
IV(d)	Hon'ble NCLT may kindly direct the petitioners to file an undertaking to the extent that	So far as the observation in paragraph IV (d) of the Report of the Regional Director is concerned,



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

	the Scheme enclosed to Company Application and the scheme enclosed to the Company Petition are one and same and there is no discrepancy or deviation.	the Petitioner Companies undertake that the Scheme enclosed to Company Application & Company Petition, are one and same and there is no discrepancy or deviation.
IV(e)	As per the Definition of the Scheme. “Appointed Date” means April 1, 2022 or such other date as may be approved by NCLT; “Effective Date” means the date on which the Scheme shall become effective pursuant to Clause 15 of Part V of this Scheme. Any reference in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” or “after this Scheme becomes effective” means and refers to the	So far as the observation in paragraph IV (e) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Appointed Date is 1st April, 2022. The Learned Counsel further submits that the Petitioner Companies will comply with circular no. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

	Effective Date; Further, the Petitioner may be asked to comply with the requirements and clarified vide circular no. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.	
IV (f)	As per Clause 10 of the Scheme, Accounting Treatment in the books of the Amalgamated Company On the Scheme becoming effective and with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation in its books of accounts as per applicable Accounting Standards including, in particular, Indian Accounting	So far as the observation in paragraph IV (f) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the accounting for Amalgamation will be done in the books of the Amalgamated Company in the manner as stated in Clause 10 of the Scheme and in accordance with the applicable accounting standards, in particular, Ind AS 103.



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

Standard (Ind AS) 103 Business Combinations prescribed under Section 133 of the Act and accordingly; (a) Upon the effectiveness of this Scheme and with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation in its books as per applicable accounting principles prescribed under Appendix C to Indian Accounting Standard (Ind AS) 103 “Business Combinations” prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 (“Ind AS 103 Business Combinations”) relevant clarifications	
---	--



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

issued by the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles in India; (b) The Amalgamated Company shall upon the Scheme coming into effect and with effect from the Appointed Date, record all the assets, liabilities and reserves, if any, of the Amalgamating Company vested in it pursuant to this Scheme at the respective books values thereof and in the same form as appearing in the consolidated financial statements of the Amalgamated Company; (c) The identity of the	
--	--



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

	reserves of the Amalgamating Company shall be preserved and the Amalgamated Company shall record the reserves of the Amalgamating Company in the same form and at the same values as they appear in the consolidated financial statements of the Amalgamated Company; (d) Pursuant to the Amalgamation, the inter-company transactions and balances between the Amalgamated Company and the Amalgamating Company shall stand cancelled and there shall be no further obligation in that behalf; (e) No adjustments are being made to reflect fair	
--	--	--



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

	values, or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies; (f) The value of investments held by the Amalgamated Company in the Amalgamating Company shall stand cancelled pursuant to the Amalgamation; (g) The difference between the carrying amount of the investments cancelled pursuant to Clause 10(f) on one hand and the net of assets, liabilities and reserves of the Amalgamating Company acquired and recorded by the Amalgamated Company in terms of	
--	--	--



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

Clause of 10(b) shall be adjusted in Capital Reserve; (h) While recording the assets of the Amalgamating Company, the Amalgamated Company would record in its books, the amount of Goodwill as reflecting in its consolidated financial statements to the extent to which it pertains to the investment held in the Amalgamating Company, if any; and (i) In addition, the Amalgamated Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting	
---	--



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

	standards and generally accepted accounting principles adopted in India	
IV(g)	STATUS OF ROC REPORT:- ROC, Mumbai Report dated 10.01.2022 has interalia mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection pending against Petitioner Companies. Further mentioned that:- 1. There are two complaints vide SRN 100051708 and 100068451 pending against the Transferee Company. 2. As per Scheme the Authorized Share capital of the Transferor Co. is Rs.	So far as the observation in paragraph IV (g) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that: 1. The two complaints mentioned are in relation to Transferee Company and it has nothing to do with the Transferor Company. The Complaints are in the nature of non-receipt of share certificates by one shareholder. The Transferee Company is in the process of resolving the complaints filed. However, the said complaints do not have any bearing on the Transferor Company and are not related



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

28,00,00,000/- as on 31st March 2021, however as per Master Data, the Authorized Share capital as on date is Rs. 100,000/- which appears Prima Facie to be a huge mismatch and the Company may take steps for correction of Master Data of the Company. 3. Interest of the Creditors should be protected. The Petitioner Company be directed to submit its reply on above observations pointed out by ROC, Mumbai in their report	to the present Scheme of Amalgamation; 2. The Transferor Company is in the process of updating the Master Data and undertakes that the Transferee Company will undertake necessary steps; 3. The interest of the Creditors will be duly protected.
---	---

11. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 9 above. The Representative of the RD has submitted that the explanations and clarifications given by the



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

petitioner companies are found satisfactory and that they have no objection to the Scheme.

12. The Official Liquidator has filed his report on 4th March, 2022 in the Company Scheme Petition No. 16 of 2022, inter alia, stating therein that the affairs of the Transferor Company have been conducted in a proper manner and the same are not prejudicial to the interest of its members or to the public interest and that the Transferor Company may be ordered to be dissolved by this Tribunal.
13. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 16 of 2022 is made absolute in terms of clauses (a) to (c) of the said Company Scheme Petition.
15. The First Petitioner Company be dissolved without winding up.
16. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically along with E-Form INC-28, in addition to physical copy within 30 days from the date of receipt of the Order from the Registry.
17. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant



IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT No. V, MUMBAI BENCH

C.P.(CAA)/16/MB-V/2022 Connected with
C.A.(CAA)/237/MB-V/2021

Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the Order.

18. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.
19. The Appointed Date is 1st April, 2022.
20. Ordered Accordingly.

Sd/-

Anuradha Sanjay Bhatia
Member (Technical)

Sd/-

Suchitra Kanuparthi
Member (Judicial)

Certified True Copy
Date of Application 08-03-2022
Number of Pages 18
Fee Paid Rs. 40
Applicant called for collection copy on 29-03-2022
Copy prepared on 29-03-2022
Copy Issued on 29-03-2022


Deputy Registrar
National Company Law Tribunal, Mumbai Bench



EXHIBIT-^{'E'}

305

**SCHEME OF AMALGAMATION
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**

BETWEEN

PIDILITE ADHESIVES PRIVATE LIMITED: AMALGAMATING COMPANY

AND

PDILITE INDUSTRIES LIMITED: AMALGAMATED COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS

AND

THEIR RESPECTIVE CREDITORS



306

PREAMBLE

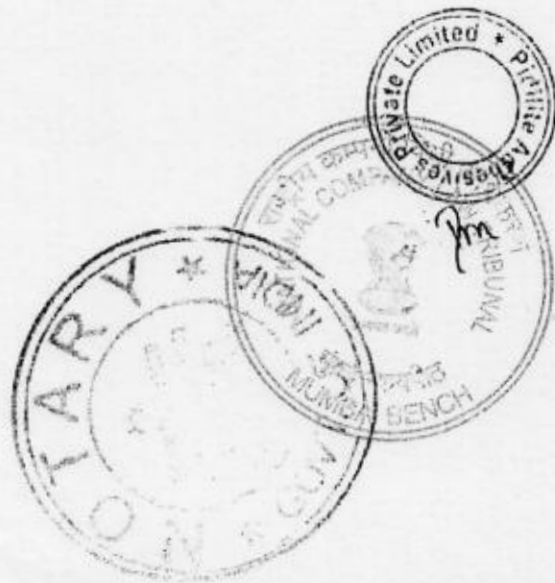
This Scheme of Amalgamation is presented under Sections 230 to 232, of the Companies Act, 2013 (the "Act") and other applicable provisions of the Act for amalgamation of Pidilite Adhesives Private Limited into Pidilite Industries Limited.

The Scheme is in the best interest of the Amalgamating Company, Amalgamated Company, their shareholders, their creditors and all other stakeholders.

PARTS OF THE SCHEME:

The Scheme is divided into five parts:

- i. **Part I** sets-forth the Introduction, Definitions and Interpretation;
- ii. **Part II** sets-forth the share capital structure of the Amalgamated Company and Amalgamating Company;
- iii. **Part III** deals with the amalgamation of the Amalgamating Company into and with the Amalgamated Company;
- iv. **Part IV** deals with consideration, accounting and tax treatments of the Amalgamated Company; and
- v. **Part V** deals with general/residuary terms and conditions.



PART I INTRODUCTION, DEFINITIONS AND INTERPRETATION

1 INTRODUCTION

1.1 PIDILITE INDUSTRIES LIMITED

PIDILITE INDUSTRIES LIMITED (hereinafter referred to as **"Pidilite"** or **"Amalgamated Company"**) having CIN L24100MH1969PLC014336, is a company incorporated under the Companies Act 1956 and has its Registered Office situated at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai – 400 021. The details about the capital structure of Amalgamated Company are set out in Part II.

Pidilite is primarily engaged in the business of adhesives. It is also engaged in the business of sealants, waterproofing solutions, construction chemicals, arts and crafts, industrial resins, polymers, etc.

1.2 PIDILITE ADHESIVES PRIVATE LIMITED

Pidilite Adhesives Private Limited (hereinafter referred to as **"Pidilite Adhesives"** or **"Amalgamating Company"**) having CIN - U24299MH2019PTC331068, is a company incorporated under the Companies Act, 2013 and has its Registered Office situated at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai – 400 021. The details about the capital structure of Amalgamating Company are set out in Part II.

Amalgamating Company is a wholly-owned subsidiary of Amalgamated Company and is primarily, engaged in the business of adhesives.

2 RATIONALE OF THE SCHEME

2.1 In November, 2020, Pidilite had bought 100% shares of the Amalgamating Company from its shareholders and consequently, the Amalgamating Company became the wholly-owned subsidiary of Amalgamated Company. In order to consolidate the business in one place and effectively manage the Amalgamating Company and Amalgamated Company as a single entity, which will provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs, it is intended that the Amalgamating Company be amalgamated with the Amalgamated Company.

2.2 The amalgamation of the company would *inter alia* have the following benefits:

2.2.1 The merger will result in achieving greater integration and greater financial



strength and flexibility and to maximize overall shareholders' value.

- 2.2.2 The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements.
 - 2.2.3 The merger will result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value.
 - 2.2.4 The merger will assist in exploring sales synergies with increased distribution of products of the Amalgamating Company through distribution network of the Amalgamated Company.
 - 2.2.5 The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc.
 - 2.2.6 The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Amalgamating Company and the Amalgamated Company.
 - 2.2.7 The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved.
 - 2.2.8 The merger will result in simplification of group structure.
- 2.3 The proposed corporate restructuring mechanism by way of a scheme of merger by absorption under the provisions of the Companies Act, 2013 is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of both the companies involved.

3 DEFINITIONS

In this Scheme, the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:

- 3.1 "Act" or "the Act" means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 3.2 "Amalgamated Company" or "Pidilite" shall mean Pidilite Industries Limited, as



309

defined in Clause 1.1 of Part I;

- 3.3 **"Amalgamating Company" or "Pidilite Adhesives"** means Pidilite Adhesives Private Limited, as defined in Clause 1.2 of Part I above;
- 3.4 **"Applicable Law(s)"** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;
- 3.5 **"Appointed Date"** means April 1, 2022 or such other date as may be approved by NCLT;
- 3.6 **"Board of Directors"/ "Board"** in relation to the Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;
- 3.7 **"Clause" and "sub-Clause"** means the relevant clauses and sub-clauses set out in this Scheme;
- 3.8 **"Companies"** means Amalgamating Company and Amalgamated Company collectively;
- 3.9 **"Effective Date"** means the date on which the Scheme shall become effective pursuant to Clause 15 of Part V of this Scheme. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;
- 3.10 **"Governmental Authority"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;
- 3.11 **"Listing Regulations"** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modifications or any enactment thereof;
- 3.12 **"NCLT"** means the National Company Law Tribunal, Mumbai Bench, to which this Scheme in its present form is submitted for its sanctioning under sections 230 to 232 of the Act;
- 3.13 **"RoC"** means the Registrar of Companies having respective jurisdiction over the Companies;



310

3.14 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the Act, as applicable, and under all other applicable laws.

4 INTERPRETATION

In this Scheme, unless the context otherwise requires:

- 4.1 words denoting singular shall include plural and vice versa and references to any gender includes the other gender;
- 4.2 headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 4.3 References to the word "include" or "including" shall be construed without limitation;
- 4.4 References to Clauses are to the Clauses to this Scheme;
- 4.5 References to the words "hereof", "herein" and "hereunder" and words of similar import shall refer to this Scheme as a whole and not to any particular provision of this Scheme;
- 4.6 Reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation;
- 4.7 Reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- 4.8 Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;
- 4.9 References to a 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); and
- 4.10 Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any foregoing words.



5 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 shall be deemed to be effective from the Appointed Date and shall be operative from the Effective Date.



312

PART II
SHARE CAPITAL STRUCTURE

6 CAPITAL STRUCTURE

6.1 The share capital of Amalgamated Company as on March 31, 2021 was as under:

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
70,00,00,000 Equity Shares of Re. 1/- each	70,00,00,000
Total	70,00,00,000
<u>Issued, Subscribed and Paid-up Capital:</u>	
50,81,53,380 Equity Shares of Rs. 1/- each fully paid up	50,81,53,380
Total	50,81,53,380

Subsequent to the above date and till the date of filing of this Scheme as approved by the Board of Directors of Amalgamated Company, there is no change in authorized, issued, subscribed and paid-up equity capital of Amalgamated Company.

6.2 The share capital of Amalgamating Company as on March 31, 2021 was as under:

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
2,80,00,000 Equity Shares of Rs.10/- each	28,00,00,000
Total	28,00,00,000
<u>Issued, Subscribed and Paid-up Capital:</u>	
2,74,85,798 Equity Shares of Rs. 10/- each, fully paid up	27,48,57,980
Total	27,48,57,980

Subsequent to the above date and till the date of filing of this Scheme as approved by the Board of Directors of Amalgamating Company, there is no change in authorized, issued, subscribed and paid-up equity capital of Amalgamating Company.



313

PART-III

AMALGAMATION OF THE AMALGAMATING COMPANY INTO AND WITH THE AMALGAMATED COMPANY

7 TRANSFER AND VESTING

- 7.1 With effect from the Appointed Date and upon the Scheme becoming effective, all the undertakings, businesses, assets and properties of the Amalgamating Company, shall, pursuant to the provisions of section 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act, instrument, deed, matter or thing, stand transferred to and vested into or be deemed to be transferred to and vested, as a going concern, into the Amalgamated Company, so as to vest in the Amalgamated Company all the rights, title, estate and interest pertaining to or belonging to or in possession of or granted in favour of the Amalgamating Company.
- 7.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, liabilities, investments, rights, benefits and interest therein of the Amalgamating Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above, and in particular, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (7.2.1) to (Error! Reference source not found.) below:
- 7.2.1 all assets of the Amalgamating Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- 7.2.2 all movable properties of the Amalgamating Company, other than those specified in sub-clause (7.2.1) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
- 7.2.3 all immovable properties (including rights relating to immovable properties) of the Amalgamating Company, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or



314

the Amalgamated Company;

- 7.2.4 all investments including the investments made by Amalgamating Company in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, inter-corporate deposits, units, mutual funds or pass through certificates and including depository receipts and certificates and other accrued benefits thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;
- 7.2.5 all the intellectual property rights of any nature whatsoever, including but not limited to intangible assets, including trademarks, logos, service marks, copyrights, domain names, trade names and applications relating thereto, goodwill, knowhow and trade secrets, pertaining to the Amalgamating Company, whether or not registered and whether or not recorded in books of accounts of the Amalgamating Company, without any cost, further act, instrument or deed, shall be and shall stand transferred to and vested in the Amalgamated Company as a part of the transfer as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Amalgamated Company.
- 7.2.6 all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated 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, duties and obligations have arisen in order to give effect to the provisions of this Clause;
- 7.2.7 all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, registrations, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company or to the benefit of which, the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto;
- 7.2.8 any pending suit/appeal or other proceedings of whatsoever nature relating to the Amalgamating Company, whether by or against the Amalgamating Company, shall not abate or be discontinued or in any way prejudicially affected by reason of the amalgamation of the Amalgamating Company or of



315

anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company. The Amalgamated Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to Amalgamating Company;

7.2.9 all employees of the Amalgamating Company, who are on its pay roll shall be engaged by the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company (if any), upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company for such purpose, shall be treated as having been continuous;

7.2.10 all statutory licenses, permissions or approvals or consents held by the Amalgamating Company required to carry on its operations shall stand transferred to and be vested in the Amalgamated Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Amalgamated Company. The benefit of all statutory and regulatory permissions, approvals and consents of the Amalgamating Company shall vest in and become available to the Amalgamated Company pursuant to the Scheme;

7.3 Procedural Formalities Post Sanction of the Scheme

7.3.1 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company have been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.

7.3.2 Upon the Scheme becoming effective, for statistical purposes only and without any separate deed, instrument or writing, the Amalgamating Company and/or the Amalgamated Company shall, if required, simultaneously with the amendment in



the register of charge file particulars of the modified charge with the concerned RoC. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Amalgamating Company and the Amalgamated Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Amalgamating Company.

7.3.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the "Licenses", for the purpose of this Clause 7.3.3) relating to the Amalgamating Company, shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Amalgamated Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by the NCLT.

7.3.4 From the Effective Date, all bank accounts of the Amalgamating Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the Amalgamated Company and for record the Amalgamated Company shall be permitted to file names and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.

7.4 Conduct of Business

7.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:

7.4.1.1 the Amalgamating Company undertake to carry on and shall be deemed to have carried on all their business activities and stand possessed of their properties and assets, for and on account of and in trust for the Amalgamated Company; and

7.4.1.2 all profits accruing to the Amalgamating Company and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and

7.4.2 Notwithstanding anything contained in this Scheme, subject to the Applicable Laws, the Board of Directors of the Amalgamated Company shall be entitled to consider, pursue, manage, undertake and conduct business of



Amalgamated Company inter-alia including, any corporate actions, issue of securities and bonus shares, buy back of securities, reorganization, restructuring of its businesses, strategic acquisition or sale of any business, joint ventures, business combinations etc., as it may deem prudent and necessary in the interest of the Amalgamated Company.

- 7.4.3 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Amalgamating Company as on the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company.
- 7.4.4 With effect from the Appointed Date, the Amalgamated Company shall be deemed to have commenced and shall carry on and shall be authorized to carry on the business of the Amalgamating Company.
- 7.4.5 For the purpose of giving effect to the amalgamation order passed under sections 230 to 232 and other applicable provisions of the Act in respect of the Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s).



PART-IV
CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT
OF AMALGAMATED COMPANY

8 CONSIDERATION / CANCELLATION OF SHARES OF THE AMALGAMATING COMPANY

8.1 As stated in Clause **Error! Reference source not found.**, Amalgamating Company is the wholly-owned subsidiary of Amalgamated Company. Since Amalgamated Company cannot issue shares to itself, upon the scheme become effective, no shares of the Amalgamated Company shall be allotted to the shareholder of the Amalgamating Company (i.e., Amalgamated Company) in lieu or exchange of its holding in the Amalgamating Company and the entire issued, subscribed and paid-up capital of the Amalgamating Company shall stand cancelled without any further act or deed.

9 CHANGE IN AUTHORISED SHARE CAPITAL

9.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company in the Amalgamated Company pursuant to the terms of this Scheme, the entire authorized share capital of the Amalgamating Company shall stand transferred from the authorized share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company.

9.2 By virtue of Clause 9.1 above, the authorized share capital of the Amalgamated Company shall stand increased by an amount of Rs. 28,00,00,000 (Rupees Twenty Eight Crores).

9.3 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company are permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with Clause 9.1, and no further demand of additional stamp duty or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the Registrar of Companies Mumbai.

9.4 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with Clause 9.1, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, section 61 or any other applicable provisions of the Act, would be required to be separately passed.

10 ACCOUNTING TREATMENT ON AMALGAMATION OF AMALGAMATING COMPANY WITH AMALGAMATED COMPANY

(a) Upon the effectiveness of this Scheme and with effect from the Appointed Date, the



Amalgamated Company shall account for the amalgamation in its books as per applicable accounting principles prescribed under Appendix C to Indian Accounting Standard (Ind AS) 103 "Business Combinations" prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS 103 Business Combinations") relevant clarifications issued by the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles in India;

- (b) The Amalgamated Company shall upon the Scheme coming into effect and with effect from the Appointed Date, record all the assets, liabilities and reserves, if any, of the Amalgamating Company vested in it pursuant to this Scheme at the respective books values thereof and in the same form as appearing in the consolidated financial statements of the Amalgamated Company;
- (c) The identity of the reserves of the Amalgamating Company shall be preserved and the Amalgamated Company shall record the reserves of the Amalgamating Company in the same form and at the same values as they appear in the consolidated financial statements of the Amalgamated Company;
- (d) Pursuant to the Amalgamation, the inter-company transactions and balances between the Amalgamated Company and the Amalgamating Company shall stand cancelled and there shall be no further obligation in that behalf;
- (e) No adjustments are being made to reflect fair values, or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies;
- (f) The value of investments held by the Amalgamated Company in the Amalgamating Company shall stand cancelled pursuant to the Amalgamation;
- (g) The difference between the carrying amount of the investments cancelled pursuant to Clause 10(f) on one hand and the net of assets, liabilities and reserves of the Amalgamating Company acquired and recorded by the Amalgamated Company in terms of Clause of 10(b) shall be adjusted in Capital Reserve;
- (h) While recording the assets of the Amalgamating Company, the Amalgamated Company would record in its books, the amount of Goodwill as reflecting in its consolidated financial statements to the extent to which it pertains to the investment held in the Amalgamating Company, if any; and
- (i) In addition, the Amalgamated Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

11 TAX

11.1 Any tax liabilities under the Income Tax Act, 1961 or other applicable laws/regulations



dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating 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 Amalgamated Company.

- 11.2 Any surplus in the provision for taxation/ duties/ levies account and any entitlement to credit, refund or set off including but not limited to the advance tax, tax deducted at source and MAT credit (credit of tax paid under section 115JB of the Income Tax Act, 1962), GST credit, as on the date immediately preceding the Appointed Date will also be transferred to Amalgamated Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Company or due to Amalgamating Company, consequent to the assessment made in respect of Amalgamating Company, shall also belong to and be received by Amalgamated Company.
- 11.3 The tax payments (including without limitation income tax, GST or any other taxes as may be applicable from time to time) whether by way of tax deducted at source, advance tax or otherwise howsoever, by Amalgamating Company whether before or after the Appointed Date, shall be deemed to be paid by Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either the Amalgamating Company or the Amalgamated Company on account of intercompany transactions, if any, between Amalgamated Company and Amalgamating Company post the Appointed Date, shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.
- 11.4 Any withholding tax certificate or any other tax related certificate issued in the name of the Amalgamating Company shall be deemed to be issued in the name of the Amalgamated Company.
- 11.5 Upon the Scheme becoming Effective, with effect from the Appointed Date, Amalgamating Company and Amalgamated 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 tax laws, if required, to give effects to provisions of the Scheme.
- 11.6 All tax assessments proceedings/appeals of whatsoever nature by or against the Amalgamating Company pending at and/or arising after the Appointed Date and relating to Amalgamating Company shall be continued and/or enforced until the Effective Date as desired by Amalgamated Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against Amalgamating 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 Amalgamating Company with Amalgamated Company or anything contained in the Scheme.



11.7 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Amalgamating Company shall be made or deemed to have been made and duly complied with by the Amalgamated Company.

12 SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities under Clause 7 above and also the continuance of proceedings by or against the Amalgamating Company under the same Clause shall not affect any transaction or proceedings already concluded by the Amalgamating Company on and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company.

13 DISSOLUTION OF THE AMALGAMATING COMPANY

13.1 On the Scheme becoming effective, the Amalgamating Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230 and 232 of the Act.

13.2 On and from the Effective Date, name of the Amalgamating Company shall be removed from the records of the RoC and records relating to the Amalgamating Company shall be transferred and merged with the records of the Amalgamated Company.



PART-V
GENERAL / RESIDUARY TERMS AND CONDITIONS

14 APPLICATION TO NCLT

The Amalgamated Company and the Amalgamating Company shall make an application to the NCLT and or applicable authority, under sections 230 to 232 of the Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.

15 CONDITIONALITY OF THE SCHEME

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

- 15.1 The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Amalgamating Company and Amalgamated Company as may be directed by the NCLT under Section 230- 232 of the Act;
- 15.2 The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
- 15.3 The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, Mumbai by the Amalgamating Company and Amalgamated Company;
- 15.4 Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

Upon this Scheme becoming effective, in accordance with sub-section 6 of Section 232 of the Act, the Scheme shall be deemed to be effective from the Appointed Date.

16 LISTING AGREEMENT AND SEBI COMPLIANCES

- 16.1 Since the Amalgamated 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 provide that a listed entity desirous of undertaking a scheme of arrangement under Section 230-234 and Section 66 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 NCLT. However, the requirement to obtain No Objection Certificate from the stock exchange(s) before filing the scheme of arrangement with the NCLT 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) provides that the draft scheme shall be filed with the stock exchange(s) for disclosure purpose. Accordingly, this scheme of amalgamation shall be filed with the stock exchange(s) for disclosure purpose.

17 MODIFICATION OR AMENDMENTS TO THE SCHEME

- 17.1 The Amalgamating Company and the Amalgamated Company may assent to any modifications or amendments to this Scheme, which the NCLT 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 this Scheme. The Amalgamating Company and the Amalgamated Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order 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.
- 17.2 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Amalgamating Company and/or Amalgamated Company may find unacceptable for any reason, then the Amalgamating Company and/or Amalgamated Company are at liberty to withdraw the Scheme.
- 17.3 The Board of Directors of Amalgamating Company and Amalgamated Company shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on Amalgamating Company and/or Amalgamated Company.
- 17.4 If any issue arises as whether any asset, liability, employee pertains to the Amalgamating Company and/or Amalgamated Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Amalgamating Company and/or Amalgamated Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes. Their decision will be final and conclusive.
- 17.5 The provisions of this Scheme as they relate to the amalgamation of Amalgamating Company into and with Amalgamated Company have been drawn up to comply with the conditions relating to "amalgamation" as defined 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.



18 EFFECT OF NON-RECEIPT OF APPROVALS

18.1 In the event that the Scheme is not sanctioned by the NCLT or in the event any of the consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void.

18.2 The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the Amalgamating Company getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Amalgamating Company and/or Amalgamated Company so decide. In the event of non – receipt of approval of any lender / creditor for the transfer of any liability of the Amalgamating Company, then at the option of the Boards of Directors of the Amalgamating Company, it may discharge such liability by issuing a security / recognizing a liability in favour of Amalgamated Company on the same terms.

19 COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and other expenses, if any (save as expressly otherwise agreed) arising out of, in connection to or in relation to or incurred in carrying out and implementing this Scheme and to put it into operation shall be borne by the Amalgamated Company.

20 MISCELLANEOUS

If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Company and Amalgamated Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to Amalgamating Company and/or Amalgamated Company, in which case the Amalgamating Company and Amalgamated Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company and Amalgamated Company the benefits and obligations of the Scheme, including but not limited to such Part.

Certified True Copy _____
Date of Application 08-03-2022
Number of Pages 20
Fee Paid Rs. 100
Applicant called for collection copy on 29-03-2022
Copy prepared on 29-03-2022
Copy Issued on 29-03-2022



mm

PR-S-Sonaw
29/3/2022
Deputy Registrar

National Company Law Tribunal, Mumbai Bench



20

Prattias



**IN THE NATIONAL COMPANY LAW TRIBUNAL,
COURT NO. V, MUMBAI BENCH**

C.P.(CAA)/46/MB-V/2022

Connected with

C.A.(CAA)/236/MB-V/2021

In the matter of

Companies Act, 2013

AND

In the matter of

Section 230-232 of the Companies Act,
2013 and other applicable provisions of
the Companies Act, 2013 read with the
Companies (Compromises, Arrangements
and Amalgamations) Rules, 2016;

In the matter of

Scheme of Amalgamation of CIPY
POLYURETHANES PRIVATE
LIMITED, the Amalgamating Company
with PIDILITE INDUSTRIES LIMITED,
the Amalgamated Company and their
respective shareholders and their
respective creditors



CIPY POLYURETHANES PRIVATE LIMITED

CIN: U24219PN1994PTC083328

... Petitioner Company No. 1

PIDILITE INDUSTRIES LIMITED

CIN: L24100MH1969PLC014336

... Petitioner Company No. 2

Order delivered on 23.03.2022

Coram:

Ms. Suchitra Kanuparthi : Hon'ble Member (Judicial)

Ms. Anuradha Sanjay Bhatia : Hon'ble Member (Technical)

Appearances (via videoconferencing):

For the Applicants : Mr Ahmed M Chunawala, i/b
Rajesh Shah & Co, Advocates

For the Regional Director (WR) : Ms. Rupa Sutar, Deputy Director

Per: Anuradha Sanjay Bhatia, Member (Technical)

ORDER

1. The Bench is conveyed by videoconference.
2. Heard the Learned Counsel for the Petitioner Companies. Neither any objector has come before this Tribunal to oppose the Scheme nor has any party controverted any averments made in the Petition filed for the



Scheme of Amalgamation of Cipy Polyurethanes Private Limited with Pidilite Industries Limited.

3. The sanction of the Tribunal is sought under Sections 230 to 232 of the Companies Act, 2013 and other relevant provisions of the Companies Act, 2013 and the rules framed there under for the Scheme of Amalgamation of CIPY POLYURETHANES PRIVATE LIMITED, the Amalgamating Company with PIDILITE INDUSTRIES LIMITED, the Amalgamated Company and their respective shareholders and their respective creditors.
4. The Petitioner Companies have approved the said Scheme of Amalgamation by passing the Board Resolutions dated 6th September 2021 which are annexed to the respective Company Scheme Petition.
5. The Learned Counsel appearing on behalf of the Petitioner Companies states that the Petition has been filed in consonance with the Order passed on 01.11.2021 in the Company Scheme Application No. 236 of 2021 of the Hon'ble Tribunal.
6. The Learned Counsel appearing on behalf of the Petitioner Companies further states that the Petitioner Companies have complied with all requirements as per directions of the National Company Law Tribunal, Mumbai Bench and they have filed necessary affidavit of compliance before the National Company Law Tribunal, Mumbai Bench.
7. The Learned Counsel for the Petitioner Companies states that the First Petitioner Company is presently engaged in the business of floor coatings and that the Second Petitioner Company is presently engaged



in the business of adhesives, sealants, waterproofing solutions, construction chemicals, arts and crafts, industrial resins, polymers, etc.

8. The Learned Counsel for the Petitioner Companies states that the Scheme of Amalgamation will lead to the following benefits:

- a. The merger will result in achieving greater integration and greater financial strength and flexibility and to maximize overall shareholders' value.
- b. The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements.
- c. The merger will result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value.
- d. The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc.
- e. The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Amalgamating Company and the Amalgamated Company.



- f. The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved.
 - g. The merger will result in simplification of group structure.
9. The Regional Director has filed his Report dated 17st March 2022 *inter-alia* making the following observations in Paragraphs IV (a) to (h) which are reproduced hereunder:

Para	Observation by the Regional Director	Undertaking of the Petitioner Companies
IV(a)	In compliance of AS-14 (IND AS-103), the Petitioner Companies shall pass such accounting entries which are necessary in connection with the scheme to comply with other applicable Accounting Standards such as AS-5(IND AS-8) etc.	So far as the observation in paragraph IV (a) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Transferee Company undertakes that in addition to compliance of Ind AS-103, the Transferee Company shall pass such accounting entries as may be necessary in connection with the Scheme to comply with other applicable accounting standards such as Ind AS 8, etc.



IV(b)	The Petitioners under provisions of Section 230(5) of the Companies Act, 2013 have to serve notices to concerned authorities which are likely to be affected by Compromise or arrangement. Further, the approval of the Scheme by this Hon'ble Tribunal may not deter such authorities to deal with any of the issues arising after giving effect to the Scheme. The decision of such Authorities is binding on the Petitioner Company(s).	So far as the observation in paragraph IV (b) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the notices have been served to the concerned authorities as per the directions of the Hon'ble NCLT. Further, the Learned Counsel for the Petitioner Companies submits that issues (if any) arising out of the present Scheme of Amalgamation will be dealt with in accordance with the provisions of law.
IV(c)	Petitioner Company have to undertake to comply with section 232(3)(i) of Companies Act, 2013, where the transferor company is dissolved, the fee, if any, paid by the transferor company on its authorised capital shall be set-off against any fees	So far as the observation in paragraph IV (c) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the setting off of fees paid by the Transferor Company on its Authorised Share Capital shall be

	payable by the transferee company on its authorised capital subsequent to the amalgamation and therefore, petitioners to affirm that they comply the provisions of the section. The Transferee Company shall pay the balance / difference amount of the fees and stamp duty on its increasing Authorised share capital.	accordance with provisions of section 232(3)(i) of the Companies Act, 2013. The Learned Counsel for the Petitioner Companies further submits that the amount of the fees and stamp duty on its increasing Authorised share capital (if any) shall be paid by the Transferee Company.
IV(d)	The Hon'ble NCLT may kindly direct to the Petitioners to file an undertaking to the extent that the Scheme enclosed to the Company Application and the scheme enclosed to the Company Petition are one & same and there is no discrepancy or deviation.	So far as the observation in paragraph IV (d) of the Report of the Regional Director is concerned, the Petitioner Companies undertake that the Scheme enclosed to Company Application & Company Petition, are one and same and there is no discrepancy or deviation.
IV(e)	As per the Definition of the	So far as the observation in



Scheme. “Appointed Date” means April 1, 2022 or such other date as may be approved by NCLT; “Effective Date” means the date on which the Scheme shall become effective pursuant to Clause 15 of Part V of this Scheme. Any reference in this Scheme to “upon this Scheme becoming effective” or “effectiveness of this Scheme” or “after this Scheme becomes effective” means and refers to the Effective Date; Further, the Petitioner may be asked to comply with the requirements and clarified vide circular no. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.	paragraph IV (e) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Appointed Date is 1st April, 2022. The Learned Counsel further submits that the Petitioner Companies will comply with circular no. F. No.7/12/2019/CL-1 dated 21.08.2019 issued by the Ministry of Corporate Affairs.
---	---



IV (f)	As per Clause 10 of the Scheme, Accounting Treatment on Amalgamation of Amalgamating Company with Amalgamated Company (a) Upon the effectiveness of this Scheme and with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation in its books as per applicable accounting principles prescribed under Appendix C to Indian Accounting Standard (Ind AS) 103 "Business Combinations" prescribed under Section 133 of the Companies Act, 2013 read with the	So far as the observation in paragraph IV (f) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the accounting for Amalgamation will be done in the books of the Amalgamated Company in the manner as stated in Clause 10 of the Scheme and in accordance with the applicable accounting standards, in particular, Ind AS 103.
--------	---	--



	Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS 103 Business Combinations") relevant clarifications issued by the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles in India; (b) The Amalgamated Company shall upon the Scheme coming into effect and with effect from the Appointed Date, record all the assets, liabilities and reserves, if any, of the Amalgamating Company vested in it pursuant to this Scheme at the	
--	---	--



	respective books values thereof and in the same form as appearing in the consolidated financial statements of the Amalgamated Company; (c) The identity of the reserves of the Amalgamating Company shall be preserved and the Amalgamated Company shall record the reserves of the Amalgamating Company in the same form and at the same values as they appear in the consolidated financial statements of the Amalgamated Company; (d) Pursuant to the Amalgamation, the inter-company transactions and balances between the Amalgamated Company	
--	---	--



	and the Amalgamating Company shall stand cancelled and there shall be no further obligation in that behalf; (e) No adjustments are being made to reflect fair values, or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies; (f) The value of investments held by the Amalgamated Company in the Amalgamating Company shall stand cancelled pursuant to the Amalgamation; (g) The difference between the carrying amount of the investments cancelled pursuant to	
--	---	--



	Clause 10(f) on one hand and the net of assets, liabilities and reserves of the Amalgamating Company acquired and recorded by the Amalgamated Company in terms of Clause of 10(b) shall be adjusted in Capital Reserve; (h) While recording the assets of the Amalgamating Company, the Amalgamated Company would record in its books, the amount of Goodwill as reflecting in its consolidated financial statements to the extent to which it pertains to the investment held in the Amalgamating Company, if any; and (i) In addition, the	
--	---	--



	Amalgamated Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India. Petitioner Companies have to undertake that the surplus / deficit shall be adjusted to Capital Reserve Account arising out of amalgamation. Further Petitioner Companies have to undertake that reserves shall not be available for distribution of dividend.	
IV(g)	STATUS OF ROC REPORT:- ROC, Mumbai Report dated	So far as the observation in paragraph IV (g) of the Report of the Regional Director is concerned, the Learned Counsel



28.12.2021 has interalia mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection pending against Petitioner Companies. Further mentioned that :- 1. There are two complaints pending against the Transferee Company. 2. Interest of the Creditors should be protected. Hon'ble Tribunal may consider the observations pointed out by ROC Mumbai in their report. ROC, Pune Report dated 16.03.2022 has interalia	for the Petitioner Companies submits that: <u>Reply in response to observations of ROC Mumbai:</u> 1. The two complaints mentioned are in relation to Transferee Company. It is hereby clarified that the complaints are not against the Transferor Company. The Complaints are in the nature of non-receipt of share certificates by one shareholder. The Transferee Company is in the process of resolving the complaints filed. However, the said complaints do not have any bearing on the Transferor Company and are not related to the present Scheme of Amalgamation; 2. The interest of the Creditors will be duly protected.
--	---



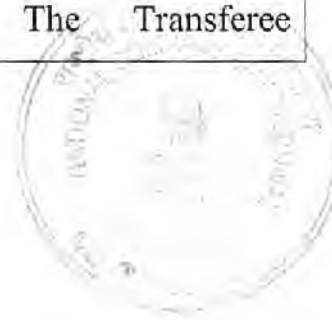
mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection, no complaints pending against Petitioner Companies. ROC, Pune Report dated 16.03.2022 has interalia mentioned that there are no prosecution, no technical scrutiny, no inquiry, no inspection, no complaints pending against Petitioner Companies. Further mentioned that :- 1. As per the MCA21 data, Charge of Rs. 39,00,00,000/- created on 28.12.2020 open against the company. Further, a charge of Rs. 39,00, 00, 000/- created on 05/05/2018 against the company by HDFC	<u>Reply in response to observations of ROC Pune:</u> The Transferor Company has a bank limit (overdraft facility) of Rs. 39 crores for which the charge has been created in favour of the banker. Though the Transferor Company is entitled to an overdraft facility of Rs. 39 crores, it has not used the overdraft facility from October 1, 2021, till date. As the bank overdraft facility has not been used by the Transferor Company there is no secured creditor in the Financials Statements of the Company and in the Chartered Accountant's certificate.
---	--



BANK LIMITED and same was satisfied on 04/02/2022. Hence, the company has secured loans. Whereas the Chartered Accountant vide its certificate dated 09.09.2021 stated that the company the company is not having any secured creditors. Hence, it is clear that the Transferor Company has not disclosed the abovesaid charges in the financial statement for the year ended 31.03.2021. Also, the Auditor has not given the accurate of certificate. Hon'ble Tribunal may	
---	--



	consider the observations pointed out by ROC Pune in their report.	
(h)	The Petitioner Transferee company viz. Pidilite Industries Limited (Transferee Company) is a limited company. And notice has been served to the BSE / NSE vide letter dated 15.09.2021, Petitioner Transferee Company viz. Pidilite Industries Limited (Transferee Company) shall undertake to comply all the observations made by the BSE and NSE, if any or any other applicable regulatory Authority	So far as the observation in paragraph IV (h) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that since the Transferor Company is a wholly owned subsidiary of Transferee Company, there is no requirement of obtaining any 'No-Objection Letter' or 'Observation Letter' to the present Scheme from the Stock Exchanges on which the securities of the Transferee Company are listed. The Transferee Company was required to submit the Scheme with Stock Exchanges for disclosure purposes, which it has duly done vide its letter dated 15.09.2021. The Transferee



		Company undertakes to comply with all the observations, if any, made by the BSE and NSE or any other applicable regulatory Authority.
(i)	The Petitioner company has received letter from Income tax department dated 03.02.2022, in this regards, Petitioner Company shall undertake to comply all the requirements of the Income tax Authorities	So far as the observation in paragraph IV (i) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits to comply with all the requirements of the Income tax Authorities in accordance with the provisions of law.
(J)	There are the foreign shareholders in the Petitioner Transferee company viz. Pidilite Industries Limited, hence approval from RBI, FEMA and FERA shall be obtained, as may be required	So far as the observation in paragraph IV (j) of the Report of the Regional Director is concerned, the Learned Counsel for the Petitioner Companies submits that the Transferor Company is a wholly owned subsidiary of Transferee Company. Post amalgamation of Transferor Company, the Transferee Company will



		continue to be in existence and no rights of any foreign shareholders of the Transferee Company will be impacted. Hence, the question of obtaining approval from RBI under the provisions of FEMA does not arise.
--	--	---

10. The observations made by the Regional Director have been explained by the Petitioner Companies in Para 9 above. The Representative of the RD has submitted that the explanations and clarifications given by the petitioner companies are found satisfactory and that they have no objection to the Scheme.
11. The Official Liquidator has filed his report on 21st March, 2022 in the Company Scheme Petition No. 46 of 2022, inter alia, stating therein that the affairs of the Transferor Company have been conducted in a proper manner and the same are not prejudicial to the interest of its members or to the public interest and that the Transferor Company may be ordered to be dissolved by this Tribunal.
12. Amalgamating Company is the wholly-owned subsidiary of Amalgamated Company. Since Amalgamated Company cannot issue shares to itself, upon the scheme become effective, no shares of the Amalgamated Company shall be allotted to the shareholder of the Amalgamating Company (i.e., Amalgamated Company) in lieu or exchange of its holding in the Amalgamating Company and the entire



issued, subscribed and paid-up capital of the Amalgamating Company shall stand cancelled without any further act or deed.

13. From the material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to public policy.
14. Since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No. 46 of 2022 is made absolute in terms of clauses (a) to (c) of the said Company Scheme Petition.
15. The First Petitioner Company be dissolved without winding up.
16. Petitioners are directed to file a copy of this Order along with a copy of the Scheme of Amalgamation with the concerned Registrar of Companies, electronically along with E-Form INC-28, in addition to physical copy within 30 days from the date of receipt of the Order from the Registry.
17. The Petitioner Companies to lodge a copy of this Order and the Scheme duly authenticated by the Deputy Registrar or Assistant Registrar, National Company Law Tribunal, Mumbai Bench, with the concerned Superintendent of Stamps, for the purpose of adjudication of stamp duty payable, if any, within 60 days from the date of receipt of the Order.
18. All authorities concerned to act on a copy of this Order along with Scheme duly authenticated by the Deputy Director or Assistant Registrar, National Company Law Tribunal, Mumbai.



19. The Appointed Date is 1st April, 2022.

20. Ordered Accordingly.

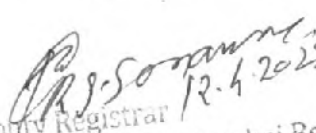
Sd/-

Anuradha Sanjay Bhatia
Member (Technical)

Sd/-

Suchitra Kanuparthi
Member (Judicial)

Certified True Copy _____
Date of Application 24-03-2022
Number of Pages 22
Fee Paid Rs. 110
Applicant's 12-04-2022
Copy prepared 12-04-2022
Copy issued 12-04-2022


Deputy Registrar
National Company Law Tribunal, Mumbai Bench



**SCHEME OF AMALGAMATION
UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013**

BETWEEN

CIPY POLYURETHANES PRIVATE LIMITED : AMALGAMATING COMPANY

AND

PIDILITE INDUSTRIES LIMITED: AMALGAMATED COMPANY

AND

THEIR RESPECTIVE SHAREHOLDERS

AND

THEIR RESPECTIVE CREDITORS



329

PREAMBLE

This Scheme of Amalgamation is presented under Sections 230 to 232, of the Companies Act, 2013 (the "Act") and other applicable provisions of the Act for amalgamation of Cipy Polyurethanes Private Limited into Pidilite Industries Limited.

The Scheme is in the best interest of the Amalgamating Company, Amalgamated Company, their shareholders, their creditors and all other stakeholders.

PARTS OF THE SCHEME:

The Scheme is divided into five parts:

- i. **Part I** sets-forth the Introduction, Definitions and Interpretation;
- ii. **Part II** sets-forth the share capital structure of the Amalgamated Company and Amalgamating Company;
- iii. **Part III** deals with the amalgamation of the Amalgamating Company into and with the Amalgamated Company;
- iv. **Part IV** deals with consideration, accounting and tax treatments of the Amalgamated Company; and
- v. **Part V** deals with general/residuary terms and conditions.



PART I INTRODUCTION, DEFINITIONS AND INTERPRETATION

1 INTRODUCTION

1.1 PIDILITE INDUSTRIES LIMITED

PIDILITE INDUSTRIES LIMITED (hereinafter referred to as “**Pidilite**” or “**Amalgamated Company**”) having CIN L24100MH1969PLC014336, is a company incorporated under the Companies Act 1956 and has its Registered Office situated at Regent Chambers, 7th Floor, Jamnalal Bajaj Marg, 208, Nariman Point, Mumbai – 400 021. The details about the capital structure of Amalgamated Company are set out in Part II.

Pidilite is primarily engaged in the business of adhesives. It is also engaged in the business of sealants, waterproofing solutions, construction chemicals, arts and crafts, industrial resins, polymers, etc.

1.2 CIPY POLYURETHANES PRIVATE LIMITED

CIPY POLYURETHANES PRIVATE LIMITED (hereinafter referred to as “**Cipy**” or “**Amalgamating Company**”) having CIN - U24219PN1994PTC083328, is a company incorporated under the Companies Act, 1956 and has its Registered Office situated at T-127, MIDC, Bhosari, Pune – 411 026. The details about the capital structure of Amalgamating Company are set out in Part II.

Amalgamating Company is a wholly-owned subsidiary of Amalgamated Company and is primarily, engaged in the business of floor coatings

2 RATIONALE OF THE SCHEME

- 2.1 In three tranches i.e., in February, 2018, April 2021 and August 2021 Pidilite had bought 100% shares of the Amalgamating Company from its shareholders and consequently, the Amalgamating Company became the wholly-owned subsidiary of Amalgamated Company. In order to consolidate the business in one place and effectively manage the Amalgamating Company and Amalgamated Company as a single entity, which will provide several benefits including streamlined group structure by reducing the number of legal entities, reducing the multiplicity of legal and regulatory compliances, rationalizing costs, it is intended that the Amalgamating Company be amalgamated with the Amalgamated Company.

- 2.2 The amalgamation of the company would inter alia have the following benefits:

- 2.2.1 The merger will result in achieving greater integration and greater financial



strength and flexibility and to maximize overall shareholders' value.

- 2.2.2 The merger will result in achieving cost savings from more focused operational efforts, rationalization, standardization and simplification of business processes and productivity improvements.
 - 2.2.3 The merger will result in greater efficiency in cash management of the amalgamated entity, and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities, to maximize shareholders value.
 - 2.2.4 The merger will help in consolidating and improving the internal control systems and procedures which will bring greater management and operational efficiency due to integration of various similar functions being carried out by the entities such as human resources, finance, legal, management etc.
 - 2.2.5 The merger will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by both the Amalgamating Company and the Amalgamated Company.
 - 2.2.6 The merger will also enable unified accounting and auditing resulting in reduction of costs and time and efforts involved.
 - 2.2.7 The merger will result in simplification of group structure.
- 2.3 The proposed corporate restructuring mechanism by way of a scheme of merger by absorption under the provisions of the Companies Act, 2013 is beneficial, advantageous and not prejudicial to the interests of the shareholders, creditors and other stakeholders of both the companies involved.

3 DEFINITIONS

In this Scheme, the following words and expressions shall, unless the context requires otherwise, have the following meanings ascribed to them:

- 3.1 "Act" or "the Act" means the Companies Act, 2013 and the rules made thereunder, and includes any alterations, modifications and amendments made thereto and/or any re-enactment thereof;
- 3.2 "Amalgamated Company" or "Pidilite" shall mean Pidilite Industries Limited, as defined in Clause 1.1 of Part I;
- 3.3 "Amalgamating Company" or "Cipy" means Cipy Polyurethanes Private Limited, as



defined in Clause 1.2 of Part I above;

- 3.4 **"Applicable Law(s)"** means any statute, law, regulation, ordinance, rule, judgment, order, decree, by-law, approval from the concerned authority, Governmental Authority resolution, order, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law of any of the foregoing, by any concerned authority having jurisdiction over the matter in question;
- 3.5 **"Appointed Date"** means April 1, 2022 or such other date as may be approved by NCLT;
- 3.6 **"Board of Directors"/ "Board"** in relation to the Amalgamating Company and/or the Amalgamated Company, as the case may be, shall, unless it be repugnant to the context or otherwise, include a committee of directors or any person authorized by the board of directors or such committee as may be constituted by the board of directors;
- 3.7 **"Clause" and "sub-Clause"** means the relevant clauses and sub-clauses set out in this Scheme;
- 3.8 **"Companies"** means Amalgamating Company and Amalgamated Company collectively;
- 3.9 **"Effective Date"** means the date on which the Scheme shall become effective pursuant to Clause 15 of Part V of this Scheme. Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness of this Scheme" or "after this Scheme becomes effective" means and refers to the Effective Date;
- 3.10 **"Governmental Authority"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof;
- 3.11 **"Listing Regulations"** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any amendments, modifications or any enactment thereof;
- 3.12 **"NCLT"** means the National Company Law Tribunal, Mumbai Bench, to which this Scheme in its present form is submitted for its sanctioning under sections 230 to 232 of the Act;
- 3.13 **"RoC"** means the Registrar of Companies having respective jurisdiction over the Companies;



3.14 "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form (along with any annexures, schedules, etc., annexed/attached hereto), with such modifications and amendments as may be made from time to time, and with appropriate approvals and sanctions of the NCLT and other relevant regulatory authorities, as may be required under the Act, as applicable, and under all other applicable laws.

4 INTERPRETATION

In this Scheme, unless the context otherwise requires:

- 4.1 words denoting singular shall include plural and vice versa and references to any gender includes the other gender;
- 4.2 headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;
- 4.3 References to the word "include" or "including" shall be construed without limitation;
- 4.4 References to Clauses are to the Clauses to this Scheme;
- 4.5 References to the words "hereof", "herein" and "hereunder" and words of similar import shall refer to this Scheme as a whole and not to any particular provision of this Scheme;
- 4.6 Reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation;
- 4.7 Reference to a document includes an amendment or supplement to, or replacement or novation of, that document;
- 4.8 Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed to them;
- 4.9 References to a 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); and
- 4.10 Where a wider construction is possible, the words "other" and "otherwise" shall not be construed ejusdem generis with any forgoing words.



5 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 shall be deemed to be effective from the Appointed Date and shall be operative from the Effective Date.



PART II
SHARE CAPITAL STRUCTURE

6 CAPITAL STRUCTURE

6.1 The share capital of Amalgamated Company as on March 31, 2021 was as under:

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
70,00,00,000 Equity Shares of Re. 1/- each	70,00,00,000
Total	70,00,00,000
<u>Issued, Subscribed and Paid-up Capital:</u>	
50,81,53,380 Equity Shares of Rs. 1/- each fully paid up	50,81,53,380
Total	50,81,53,380

Subsequent to the above date and till the date of filing of this Scheme as approved by the Board of Directors of Amalgamated Company, there is no change in authorized, issued, subscribed and paid-up equity capital of Amalgamated Company.

6.2 The share capital of Amalgamating Company as on March 31, 2021 was as under:

Particulars	Amount (INR)
<u>Authorised Capital:</u>	
1,00,000 Equity Shares of Rs.100/- each	1,00,00,000
Total	1,00,00,000
<u>Issued, Subscribed and Paid-up Capital:</u>	
94,166 Equity Shares of Rs. 100/- each, fully paid up	94,16,600
Total	94,16,600

Subsequent to the above date and till the date of filing of this Scheme as approved by the Board of Directors of Amalgamating Company, there is no change in authorized, issued, subscribed and paid-up equity capital of Amalgamating Company.



PART-III
AMALGAMATION OF THE AMALGAMATING COMPANY INTO AND
WITH THE AMALGAMATED COMPANY

7 TRANSFER AND VESTING

- 7.1 With effect from the Appointed Date and upon the Scheme becoming effective, all the undertakings, businesses, assets and properties of the Amalgamating Company, shall, pursuant to the provisions of section 230 to 232 of the Act and all other applicable provisions, if any, of the Act, and without any further act, instrument, deed, matter or thing, stand transferred to and vested into or be deemed to be transferred to and vested, as a going concern, into the Amalgamated Company, so as to vest in the Amalgamated Company all the rights, title, estate and interest pertaining to or belonging to or in possession of or granted in favour of the Amalgamating Company.
- 7.2 Subject to the provisions of the Scheme in relation to the modalities of transfer and vesting, on occurrence of the Effective Date, the whole of the business, personnel, property, assets, liabilities, investments, rights, benefits and interest therein of the Amalgamating Company shall, with effect from the Appointed Date, stand transferred to and be vested in the Amalgamated Company, without any further act or deed, and by virtue of the order passed by the NCLT. Without prejudice to the generality of the above, and in particular, the Amalgamating Company shall stand transferred to and be vested in the Amalgamated Company in the manner described in sub-clauses (7.2.1) to (Error! Reference source not found.) below:
- 7.2.1 all assets of the Amalgamating Company, as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery or by vesting and recordal pursuant to this Scheme, shall stand vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company. The vesting pursuant to this sub-clause shall be deemed to have occurred by manual delivery or endorsement, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
- 7.2.2 all movable properties of the Amalgamating Company, other than those specified in sub-clause (7.2.1) above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, shall without any further act, instrument or deed, become the property of the Amalgamated Company;
- 7.2.3 all immovable properties (including rights relating to immovable properties) of the Amalgamating Company, if any, whether freehold or leasehold, and all documents of title, rights and easements in relation thereto, shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company,



without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;

- 7.2.4 all investments including the investments made by Amalgamating Company in the capital of other companies whether as shares, scrips, stocks, bonds, debentures, debenture stocks, inter-corporate deposits, units, mutual funds or pass through certificates and including depository receipts and certificates and other accrued benefits thereto shall stand transferred to and be vested in and transferred to and/or be deemed to have been and stand transferred to and vested in the Amalgamated Company, without any further act or deed done by the Amalgamating Company and/or the Amalgamated Company;
- 7.2.5 all the intellectual property rights of any nature whatsoever, including but not limited to intangible assets, including trademarks, logos, service marks, copyrights, domain names, trade names and applications relating thereto, goodwill, knowhow and trade secrets, pertaining to the Amalgamating Company, whether or not registered and whether or not recorded in books of accounts of the Amalgamating Company, without any cost, further act, instrument or deed, shall be and shall stand transferred to and vested in the Amalgamated Company as a part of the transfer as a going concern, so as to become, as and from the Appointed Date, the intellectual property of the Amalgamated Company,
- 7.2.6 all debts, liabilities, contingent liabilities, duties and obligations, secured or unsecured, whether provided for or not in the books of account or disclosed in the balance sheets of the Amalgamating Company, shall, be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company and the Amalgamated 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, duties and obligations have arisen in order to give effect to the provisions of this Clause;
- 7.2.7 all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments, permits, rights, entitlements, registrations, licenses including those relating to tenancies, privileges, powers, facilities of every kind and description of whatsoever nature in relation to the Amalgamating Company or to the benefit of which, the Amalgamating Company may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on, against or in favour of the Amalgamated Company and may be enforced as fully and effectually as if, instead of the Amalgamating Company, the Amalgamated Company had been a party or beneficiary or obligee thereto;
- 7.2.8 any pending suit/appeal or other proceedings of whatsoever nature relating to the Amalgamating Company, whether by or against the Amalgamating Company, shall not abate or be discontinued or in any way prejudicially



affected by reason of the amalgamation of the Amalgamating Company or of anything contained in this Scheme, but the proceedings shall continue and any prosecution shall be enforced by or against the Amalgamated Company in the same manner and to the same extent as they would or might have been continued, prosecuted and/or enforced by or against the Amalgamating Company. The Amalgamated Company shall file necessary application for transfer of all pending suit/appeal or other proceedings of whatsoever nature relating to Amalgamating Company;

7.2.9 all employees of the Amalgamating Company, who are on its pay roll shall be engaged by the Amalgamated Company, on such terms and conditions as are no less favourable than those on which they are currently engaged by the Amalgamating Company, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity, leave encashment and any other special scheme or benefits created or existing for the benefit of such employees of the Amalgamating Company (if any), upon this Scheme becoming effective, the Amalgamated Company shall stand substituted for the Amalgamating Company for all purposes whatsoever, in accordance with the provisions of applicable laws and in terms of this Scheme. It is hereby clarified that upon this Scheme becoming effective, the aforesaid benefits or schemes shall continue to be provided to the transferred employees and the services of all the transferred employees of the Amalgamating Company for such purpose, shall be treated as having been continuous;

7.2.10 all statutory licenses, permissions or approvals or consents held by the Amalgamating Company required to carry on its operations shall stand transferred to and be vested in the Amalgamated Company without any further act or deed, and shall, as may be required, be appropriately mutated by the statutory authorities concerned therewith in favor of the Amalgamated Company. The benefit of all statutory and regulatory permissions, approvals and consents of the Amalgamating Company shall vest in and become available to the Amalgamated Company pursuant to the Scheme;

7.3 Procedural Formalities Post Sanction of the Scheme

7.3.1 The Amalgamated Company shall, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, execute deeds of confirmation or novation or other writings or arrangements with any party to any contract or arrangement in relation to which the Amalgamating Company have been a party, in order to give formal effect to the above provisions. The Amalgamated Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Amalgamating Company and to carry out or perform all such formalities or compliances referred to above on the part of the Amalgamating Company.

7.3.2 Upon the Scheme becoming effective, for statistical purposes only and without



any separate deed, instrument or writing, the Amalgamating Company and/or the Amalgamated Company shall, if required, simultaneously with the amendment in the register of charge file particulars of the modified charge with the concerned RoC. Any documentation subsequently entered into with the term lenders or the working capital lenders of the Amalgamating Company and the Amalgamated Company, shall be for the sake of convenience and record only and to reflect the changes in the security pursuant to the Scheme and there shall be no break in the continuity of such charge and the same shall relate back to the date of its creation thereof in the Amalgamating Company.

7.3.3 Upon the Scheme becoming effective, all statutory permissions, licenses, approvals, consents, privileges, benefits and benefits of filings and all other incorporeal rights emanating from such licenses (together the "Licenses", for the purpose of this Clause 7.3.3) relating to the Amalgamating Company, shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed, as more particularly provided hereinabove. Notwithstanding such transfer/ vesting of the Licenses, if any application is required for the statistical record of the statutory authorities to implement the transfer and vesting of the Licenses, as provided hereinabove, the Amalgamated Company shall facilitate the statutory authorities by filing such applications, which shall be granted/ approved in favour of the Amalgamated Company based on the sanction order of the Scheme by the NCLT.

7.3.4 From the Effective Date, all bank accounts of the Amalgamating Company shall be permitted to be continued with the same balances as of the Effective Date in the name of the Amalgamated Company and for record the Amalgamated Company shall be permitted to file names and particulars of the new authorized signatories for withdrawals and/ or deposits/ credits in such bank accounts and the relevant bank accounts shall be reconstituted accordingly.

7.4 Conduct of Business

7.4.1 With effect from the Appointed Date and until occurrence of the Effective Date:

7.4.1.1 the Amalgamating Company undertake to carry on and shall be deemed to have carried on all their business activities and stand possessed of their properties and assets, for and on account of and in trust for the Amalgamated Company; and

7.4.1.2 all profits accruing to the Amalgamating Company and all taxes thereon or losses accumulated or otherwise arising or incurred by it shall, for all purposes, be treated as and deemed to be the profits, taxes or losses, as the case may be, of the Amalgamated Company; and

7.4.2 Notwithstanding anything contained in this Scheme, subject to the



7.4.3 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Amalgamating Company as on the Appointed Date, whether or not provided in their books, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of the Amalgamated Company.

7.4.4 With effect from the Appointed Date, the Amalgamated Company shall be deemed to have commenced and shall carry on and shall be authorized to carry on the business of the Amalgamating Company.

7.4.5 For the purpose of giving effect to the amalgamation order passed under sections 230 to 232 and other applicable provisions of the Act in respect of the Scheme by NCLT, the Amalgamated Company shall, at any time pursuant to the order on the Scheme, be entitled to get the recordal of the change in the legal right(s).



PART-IV
CONSIDERATION, ACCOUNTING TREATMENT AND TAX TREATMENT
OF AMALGAMATED COMPANY

8 CONSIDERATION / CANCELLATION OF SHARES OF THE AMALGAMATING COMPANY

- 8.1 As stated in Clause 2.1, Amalgamating Company is the wholly-owned subsidiary of Amalgamated Company. Since Amalgamated Company cannot issue shares to itself, upon the scheme become effective, no shares of the Amalgamated Company shall be allotted to the shareholder of the Amalgamating Company (i.e., Amalgamated Company) in lieu or exchange of its holding in the Amalgamating Company and the entire issued, subscribed and paid-up capital of the Amalgamating Company shall stand cancelled without any further act or deed.

9 CHANGE IN AUTHORISED SHARE CAPITAL

- 9.1 Upon this Scheme becoming effective and upon the vesting and transfer of the Amalgamating Company in the Amalgamated Company pursuant to the terms of this Scheme, the entire authorized share capital of the Amalgamating Company shall stand transferred from the authorized share capital of the Amalgamating Company to the authorized share capital of the Amalgamated Company.
- 9.2 By virtue of Clause 9.1 above, the authorized share capital of the Amalgamated Company shall stand increased by an amount of Rs. 1,00,00,000 (Rupees One Crore).
- 9.3 The stamp duty or filing fees paid on the authorized share capital of the Amalgamating Company are permitted to be utilized and applied towards the increase in the authorized share capital of the Amalgamated Company in accordance with Clause 9.1, and no further demand of additional stamp duty or fee shall be raised or made upon the Amalgamated Company by any regulatory authorities in relation to such increase in the authorized share capital of the Amalgamated Company, including by the Registrar of Companies Mumbai.
- 9.4 It is hereby clarified that for the purposes of increasing the authorized share capital of the Amalgamated Company in accordance with Clause 9.1, the consent of the shareholders of the Amalgamated Company to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment and that no further resolution under section 13, section 61 or any other applicable provisions of the Act, would be required to be separately passed.

10 ACCOUNTING TREATMENT ON AMALGAMATION OF AMALGAMATING COMPANY WITH AMALGAMATED COMPANY

- (a) Upon the effectiveness of this Scheme and with effect from the Appointed Date, the Amalgamated Company shall account for the amalgamation in its books as per applicable accounting principles prescribed under Appendix C to Indian Accounting



Standard (Ind AS) 103 "Business Combinations" prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS 103 Business Combinations") relevant clarifications issued by the Ind AS Transition Facilitation Group (ITFG) of the Institute of Chartered Accountants of India and other generally accepted accounting principles in India;

- (b) The Amalgamated Company shall upon the Scheme coming into effect and with effect from the Appointed Date, record all the assets, liabilities and reserves, if any, of the Amalgamating Company vested in it pursuant to this Scheme at the respective books values thereof and in the same form as appearing in the consolidated financial statements of the Amalgamated Company;
- (c) The identity of the reserves of the Amalgamating Company shall be preserved and the Amalgamated Company shall record the reserves of the Amalgamating Company in the same form and at the same values as they appear in the consolidated financial statements of the Amalgamated Company;
- (d) Pursuant to the Amalgamation, the inter-company transactions and balances between the Amalgamated Company and the Amalgamating Company shall stand cancelled and there shall be no further obligation in that behalf;
- (e) No adjustments are being made to reflect fair values, or recognize any new assets or liabilities. The only adjustments that are made are to harmonize accounting policies;
- (f) The value of investments held by the Amalgamated Company in the Amalgamating Company shall stand cancelled pursuant to the Amalgamation;
- (g) The difference between the carrying amount of the investments cancelled pursuant to Clause 10(f) on one hand and the net of assets, liabilities and reserves of the Amalgamating Company acquired and recorded by the Amalgamated Company in terms of Clause of 10(b) shall be adjusted in Capital Reserve;
- (h) While recording the assets of the Amalgamating Company, the Amalgamated Company would record in its books, the amount of Goodwill as reflecting in its consolidated financial statements to the extent to which it pertains to the investment held in the Amalgamating Company, if any; and
- (i) In addition, the Amalgamated Company shall pass such accounting entries, as may be necessary, in connection with the Scheme, to comply with any of the applicable accounting standards and generally accepted accounting principles adopted in India.

11 TAX

- 11.1 Any tax liabilities under the Income Tax Act, 1961 or other applicable laws/regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating 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 Amalgamated Company.

- 11.2 Any surplus in the provision for taxation/ duties/ levies account and any entitlement to credit, refund or set off including but not limited to the advance tax, tax deducted at source and MAT credit (credit of tax paid under section 115JB of the Income Tax Act, 1962), GST credit, as on the date immediately preceding the Appointed Date will also be transferred to Amalgamated Company. Any refund under the Income Tax Act, 1961 or other applicable laws/ regulations dealing with taxes/ duties/ levies allocable or related to the business of Amalgamating Company or due to Amalgamating Company, consequent to the assessment made in respect of Amalgamating Company, shall also belong to and be received by Amalgamated Company.
- 11.3 The tax payments (including without limitation income tax, GST or any other taxes as may be applicable from time to time) whether by way of tax deducted at source, advance tax or otherwise howsoever, by Amalgamating Company whether before or after the Appointed Date, shall be deemed to be paid by Amalgamated Company and shall, in all proceedings, be dealt with accordingly. Notwithstanding the above, any tax deducted at source by either the Amalgamating Company or the Amalgamated Company on account of intercompany transactions, if any, between Amalgamated Company and Amalgamating Company post the Appointed Date, shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly.
- 11.4 Any withholding tax certificate or any other tax related certificate issued in the name of the Amalgamating Company shall be deemed to be issued in the name of the Amalgamated Company.
- 11.5 Upon the Scheme becoming Effective, with effect from the Appointed Date, Amalgamating Company and Amalgamated 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 tax laws, if required, to give effects to provisions of the Scheme.
- 11.6 All tax assessments proceedings/appeals of whatsoever nature by or against the Amalgamating Company pending at and/or arising after the Appointed Date and relating to Amalgamating Company shall be continued and/or enforced until the Effective Date as desired by Amalgamated Company. As and from the Effective Date, the tax proceedings/ appeals shall be continued and enforced by or against Amalgamated Company in the same manner and to the same extent as would or might have been continued and enforced by or against Amalgamating 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 Amalgamating Company with Amalgamated Company or anything contained in the Scheme.



- 11.7 Upon the Scheme coming into effect, any obligation for deduction of tax at source on any payment made by or to be made by Amalgamating Company shall be made or deemed to have been made and duly complied with by the Amalgamated Company.

12 SAVING OF CONCLUDED TRANSACTIONS

The transfer of assets, properties and liabilities under Clause 7 above and also the continuance of proceedings by or against the Amalgamating Company under the same Clause shall not affect any transaction or proceedings already concluded by the Amalgamating Company on and after the Appointed Date till the Effective Date, to the end and intent that the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Amalgamating Company.

13 DISSOLUTION OF THE AMALGAMATING COMPANY

- 13.1 On the Scheme becoming effective, the Amalgamating Company shall stand dissolved automatically without winding up in accordance with the provisions of Section 230 and 232 of the Act.
- 13.2 On and from the Effective Date, name of the Amalgamating Company shall be removed from the records of the RoC and records relating to the Amalgamating Company shall be transferred and merged with the records of the Amalgamated Company.



PART-V
GENERAL / RESIDUARY TERMS AND CONDITIONS

14 APPLICATION TO NCLT

The Amalgamated Company and the Amalgamating Company shall make an application to the NCLT and or applicable authority, under sections 230 to 232 of the Act, seeking order for dispensing with or for convening, holding and/or conducting of the meetings of the classes of their respective members and creditors (secured and unsecured) as per the requirements of the Act.

15 CONDITIONALITY OF THE SCHEME

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

- 15.1 The approval by the requisite majorities of the classes of persons, including shareholders, creditors of the Amalgamating Company and Amalgamated Company as may be directed by the NCLT under Section 230- 232 of the Act;
- 15.2 The sanctioning of this Scheme by the NCLT, whether with any modifications or amendments as NCLT may deem fit or otherwise;
- 15.3 The filing of the certified copies of the orders of the NCLT with the Registrar of Companies, Mumbai by the Amalgamating Company and Amalgamated Company;
- 15.4 Any other sanctions and orders as may be directed by the NCLT in respect of the Scheme.

Upon this Scheme becoming effective, in accordance with sub-section 6 of Section 232 of the Act, the Scheme shall be deemed to be effective from the Appointed Date.

16 LISTING AGREEMENT AND SEBI COMPLIANCES

- 16.1 Since the Amalgamated 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 provide that a listed entity desirous of undertaking a scheme of arrangement under Section 230-234 and Section 66 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 NCLT. However, the requirement to obtain No Objection Certificate from the stock exchange(s) before filing the scheme of arrangement with the NCLT 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) provides that the draft scheme shall be filed with the stock exchange(s) for disclosure purpose. Accordingly, this scheme of amalgamation shall be filed with the stock exchange(s) for disclosure purpose.

17 MODIFICATION OR AMENDMENTS TO THE SCHEME

- 17.1 The Amalgamating Company and the Amalgamated Company may assent to any modifications or amendments to this Scheme, which the NCLT 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 this Scheme. The Amalgamating Company and the Amalgamated Company (acting through its respective Boards of Directors) be and is hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any order of the NCLT or of any directive or order 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.
- 17.2 In the event of any of the conditions that may be imposed by the NCLT or other authorities which the Amalgamating Company and/or Amalgamated Company may find unacceptable for any reason, then the Amalgamating Company and/or Amalgamated Company are at liberty to withdraw the Scheme.
- 17.3 The Board of Directors of Amalgamating Company and Amalgamated Company shall be entitled, in a mutually agreeable manner, to revoke, cancel and declare the Scheme of no effect if they are of view that the coming into effect of the Scheme could have adverse implications on Amalgamating Company and/or Amalgamated Company.
- 17.4 If any issue arises as whether any asset, liability, employee pertains to the Amalgamating Company and/or Amalgamated Company, or not under this Scheme, the same shall be decided by the Board of Directors of the Amalgamating Company and/or Amalgamated Company, as relevant, on the basis of relevant books of account and other evidence that they may deem relevant for said purposes. Their decision will be final and conclusive.
- 17.5 The provisions of this Scheme as they relate to the amalgamation of Amalgamating Company into and with Amalgamated Company have been drawn up to comply with the conditions relating to "amalgamation" as defined 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



326

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.

18 EFFECT OF NON-RECEIPT OF APPROVALS

18.1 In the event that the Scheme is not sanctioned by the NCLT or in the event any of the consents, approvals, permissions, resolutions, agreements, sanctions or conditions enumerated in the Scheme are not obtained or complied with or for any other reason, the Scheme cannot be implemented, the Scheme shall become null and void.

18.2 The non – receipt of any sanctions or approvals for a particular asset or liability forming part of the Amalgamating Company getting transferred pursuant to this Scheme, shall not affect the effectiveness of the respective section of the Scheme, if the Boards of Directors of the Amalgamating Company and/or Amalgamated Company so decide. In the event of non – receipt of approval of any lender / creditor for the transfer of any liability of the Amalgamating Company, then at the option of the Boards of Directors of the Amalgamating Company, it may discharge such liability by issuing a security / recognizing a liability in favour of Amalgamated Company on the same terms.

19 COSTS, CHARGES & EXPENSES

All costs, charges, taxes including duties, levies and other expenses, if any (save as expressly otherwise agreed) arising out of, in connection to or in relation to or incurred in carrying out and implementing this Scheme and to put it into operation shall be borne by the Amalgamated Company.

20 MISCELLANEOUS

If any part of this Scheme hereof is invalid, ruled illegal by any NCLT of competent jurisdiction, or unenforceable under present or future laws, then it is the intention of the Amalgamating Company and Amalgamated Company that such Part shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part shall cause this Scheme to become materially adverse to Amalgamating Company and/or Amalgamated Company, in which case the Amalgamating Company and Amalgamated Company shall attempt to bring about a modification in the Scheme, as will best preserve for the Amalgamating Company and Amalgamated Company the benefits and obligations of the Scheme, including but not limited to such Part.

Certified true copy

Date: 24-03-2022

No. 20

Fee 100

App. 12-04-2022

Copied 12-04-2022

Copy: 12-04-2022

R. S. Srinivas
12-4-2022

Deputy Registrar

National Company Law Tribunal, Mumbai Bench



20