



**KOTHARI**  
PRODUCTS LIMITED

MEMORANDUM AND ARTICLES OF ASSOCIATION  
OF

**KOTHARI**  
PRODUCTS LIMITED



प्राप्त आई० आर०  
Form I. R.  
निगमन का प्रमाण-पत्र

## CERTIFICATE OF INCORPORATION

ता०.....कासं.....  
No.....6254.....of 19.....83.....

में एतद् द्वारा प्रमाणित करता हूँ कि आज .....

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

I hereby certify that ....KOTHARI PRODUCTS LIMITED.....

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

मेरे हस्ताक्षर से आज ता० ..... को दिया गया।

Given under my hand at .....KANPUR.....this .....17th .....  
day of...September...one thousand nine hundred and ...Eighty Three....  
26th Bhadra 1905 (S.E.)



*V.P. Kapoor*

17.9.83  
(V.P. KAPOOR)

कम्पानियों का रजिस्ट्रार  
Registrar of Companies  
U. P. KANPUR

FRESH CERTIFICATE OF INCORPORATION

CONSEQUENT ON CHANGE OF NAME

COMPANY NO. 20-6254

IN THE OFFICE OF REGISTRAR OF COMPANIES, U.P.,

KANPUR.

(Under the Companies Act, 1956 (1-1956) )

In the matter of KOTHARI PRODUCTS LIMITED.  
DEEMED PUBLIC U/S 43A of the Act.).

I hereby certify that KOTHARI PRODUCTS LIMITED.  
(Deemed Public U/S 43A of the Act.)

which was originally incorporated on \_\_\_\_\_ 17th \_\_\_\_\_ day of  
September 1983 under the Companies Act, 1956  
under the name Kothari Products Private Limited.

\_\_\_\_\_ having duly passed Special Resolution  
on 17.11.1994 in terms of Section 31/44 of the  
Companies Act, 1956.

The name of the said company is this day converted  
KOTHARI PRODUCTS LIMITED.

and this certificate is issued pursuant to Section 31/44  
of the said Act.

Given under my hand at Kanpur this 26th day of August  
(ONE HUNDRED NINE HUNDRED NINTY SIX) .



*R.D. Kureel*

R.D. KUREEL

REGISTRAR OF COMPANIES, U.P.

KANPUR

Dated 26.08.1996

No 6254

To

M/s KOTHARI PRODUCTS LIMITED.  
Pan Parag House 24/19, The Mall  
Kanpur



**[UNDER THE COMPANIES ACT, 1956]**  
**PUBLIC COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**KOTHARI PRODUCTS LIMITED**

- I. The name of the Company is **KOTHARI PRODUCTS LIMITED**.
- II. The Registered Office of the Company will be situated in the State of Uttar Pradesh.
- III. The object for which the Company is established are :-

**A. Main object to be pursued by the Company on its incorporation are :-**

- [1] To manufacture, produce sell, buy, import, export and all other legal modes and manners to deal in Pan Masala, Zafrani Patti, Scented Chewing Tobacco, Zarda, Kimamas, Tobacco Products, Mixtures, Preparations, Pastes, Powders and Tablets.
- [2] To carry on the business as manufacturers, producers, sellers, dealers, manufacturer's-representatives, agents of Biscuits, Vocail, Confectionery, Coconut Oil, Till Oil, Detergents, Washing Powder, Cleaning Compounds, Chemicals and all kinds of Soaps.
- [3] To carry on business of manufacturers of Perfumes, Scents, Ittars, Compounds, Horticulturists and Agriculturists.
- [4] To carry on the business of manufacturing and marketing of 'Flexible Laminated Plastic Film', Pouch Making, coating on any substrate, Printing on Paper, Board and lamination of any two Substrates.
- \*[5] To do the business of exploring, purchasing, selling and taking on lease & sub lease mines of iron, iron ore, coal, iron stone, lime stone, manganese ore, magnesite, clay, fire clay, brick earth, other metals, minerals and substances and
- \*[6] To do the business of buying, selling, Importers & Exporters of iron ore, coal, ironstone, lime stone, other Metals, minerals, substances and goods or articles of any description.

**B. The objects incidental or ancillary to the attainment of the main objects are :-**

**To purchase and deal in materials, substances**

1. To purchase or otherwise acquire, own, import, sell and deal in all materials, substances, appliances, machines, containers and other articles and apparatus and things capable of being used in any of the aforesaid business and to own, lease and otherwise acquire and use facilities of whatever kind as may be convenient or useful or conducive to the effective working of the said business or any part thereof.

**Construct and superintend buildings, offices structures**

2. To acquire, build, construct, alter, maintain, enlarge, pull down, remove or replace and to work, manage, and control any buildings, offices, factories, mills, shops, machinery, engines, roadways, tramways, railways

\*Objects added vide special resolution passed on 18.02.2008.



branches, or sidings, bridges, reservoirs watercourses, wharves, electric works and (other works and), conveniences which may seem calculated directly or indirectly to advance the interests of the company, and to join with any other person or Company in doing any of these things.

3. To buy, sell manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plant machinery, tools, utensils, appliances, apparatus, products, materials, substances, articles and things capable of being used in any business which this Company is competent to carry on or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and bye-products incidental to or obtained in any of the business carried on by the Company. Purchase, lease, exchange.
4. To purchase, take on lease or tenancy or in exchange hire, take options over or otherwise acquire for any estate or interest and to hold, develop, work, cultivate, deal with and turn to account, concessions, grants, decrees\*, licences, privileges, claims, options, leases, property, real personal or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company.

## **Preliminary expenses**

5. To pay for preliminary and incorporation expenses of the Company.

## **Disposal of undertaking and property of company**

6. To sell, exchange, mortgage, let on lease, royalty or tribute, grant licences, easements, options and other rights over and in any other manner deal with or dispose of the whole or any part of the undertaking property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stock, Shares, whether fully or partly paid up, or securities of any other company having objects in whole or in part similar to those of the Company.

## **Payment for Property and Services**

7. To pay for any rights or property acquired by the Company and to remunerate any person, firm or body corporate rendering services to the Company either by cash payment or by allotment to him or them of shares or securities of the Company as paid up in full or in part or otherwise.

## **Advances, deposits and loans**

8. To lend and advance money, either with or without security and give credit to such persons (including Government) and upon such terms and conditions as the Company may think fit, provided that the Company shall not carry on Banking business as defined under the Banking Regulation Act, 1949.

## **Guarantee and Surety for securities\***

9. To guarantee the performance of any contract or obligations of and the payment of money of or dividends and interest on any stock, shares or securities of any company, corporation, firm or person in any case in which such guarantee may be considered directly or indirectly to further the objects of the Company.

## **Guarantee and Surety for payment of money\***

10. To guarantee the payment of money unsecured or secured or payable under or in respect of promissory notes, bond debentures, debenture stock, contracts, mortgages, charges obligations, instruments and securities of any Company or of any authority, Supreme, Municipal, Local or otherwise or of any persons whomsoever whether incorporated or not and generally to guarantee or become securities for the performance

\* Altered vide Special Resolution passed on 23-09-2011

of any contracts or obligations as may be necessary for the purpose of the Company.

### **Investments**

11. To invest any moneys of the company not immediately required in such investments (other than shares or stock or the Company) as may be thought proper and to hold, sell or otherwise deal with such investments as may be necessary for the purpose of the company.

### **Borrowings**

12. Subject to provisions\* of Section 58A and 292 of the Companies Act, 1956, to receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debenture or debenture stock (perpetual or otherwise) and to secure the payment of and money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both presents or future) including its uncalled capital and also by a similar mortgage, charge lien to secure and guarantee the performance by the Company or any other person or Company of any obligation undertaken by the Company.

### **Negotiable Instruments**

13. To draw, make, accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, debentures and other negotiable or transferable instruments or securities.

### **Patents**

14. To apply for purchase or otherwise acquire and protect, prolong and renew in any part of the world, any patents, patent rights, brevets d' invention, trade marks, designs, licences, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to their use or of any secret or other information as to any invention, process or privilege which may seem, capable of being used for any of the purposes of the company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop or grant licences or privileges in respect of or otherwise turn to account, the property rights and the information so acquired and to carry on any business in any way connected therewith.

### **Improvements of patents and other rights**

15. To expend money in experimenting upon and testing and in improving, or seeking to improve any patents, rights, inventions, discoveries, process or information of the Company or which the Company may acquire or propose\* to acquire.

### **Research laboratories, Colleges and provisions of lectures**

16. To establish, provide, maintain and conduct research and other laboratories, training colleges, schools and other institutions for the training, education and instruction students and others who may desire to avail themselves of the same and to provide for the delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith.

### **Acquire and undertake business**

17. To acquire and undertake all or any part of the business, property and liabilities of any persons or company carrying on or proposing to carry on or any business which this company is authorised to carry on possessed of property suitable for the purposes of the company or which can be carried on in

\* Altered vide Special Resolution passed on 23-09-2011



conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the company.

## **Registration of Company outside India**

18. To procure the Registration or recognition of the Company in or under the laws of any place outside India.

## **Promotion**

19. To form, incorporate, float or promote any Company or Companies, whether in India or abroad having amongst its or their objects the acquisition of all or any of the assets of control, management or development of the company or any other object or objects which in the opinion of the Company could directly or indirectly assist the company in the management of its business or the development of its properties or otherwise prove advantageous to the Company.

## **Amalgamation and Partnership**

20. Subject to section 391 to 394 of the provisions of the Companies Act, 1956 to amalgamate or to enter into partnership or into any arrangement for sharing profits, union of interests, cooperation joint venture or reciprocal concession with any person or persons or Company or Companies carrying on or engaged in, or about to carry on or engage in or being authorised to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.

## **Government and other concession and to promote and propose legislation**

21. To enter into any arrangement and take all necessary or proper steps with Government or with other authorities, Supreme, National, Local Municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modification in the constitution of the Company or furthering the interests of its members and to oppose any such steps taken by any other Company, firm or person which may be considered directly or indirectly to prejudice the interest of the Company or its members and to assist, the promotion whether directly or indirectly of any legislation which may seem, advantageous to the Company and to obtain from any such Government authority and Company any charters, contracts, decrees, rights, grants, loans, privileges or concessions which the Company may think fit desirable to obtain and to carry out exercise and comply with any such arrangements, charters, decrees, rights, privileges or concessions.

## **Publicity**

22. 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, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.

## **Trusts**

23. To undertake and execute any trust, the undertaking of which may seem to the company desirable and either gratuitously or otherwise and vest any real or personal property, rights, or interest acquired by or belonging to\* the Company in any person or Company on behalf of or for the benefit of the Company, and with or without any declared trust in favour of the Company.

\* Altered vide Special Resolution passed on 23-09-2011



24. To accept gifts and to give gifts and donations, to create trust for the welfare of employees members, directors and / or their dependents, heir and children and for any deserving object and for other persons also and to act as trustees.

**Establishment of association connected with the Company or for employees of the Company**

25. To apply the assets of the Company in any way in or towards the establishment, maintenance or extension of any association, institution, or fund in any way connected with any particular trade or commerce generally and particularly with the trade, including any association, institution or fund for the protection of the interests of masters, owners and employees against loss by bad debts, strike, combination, fire, accidents, or otherwise or for the benefit of any clerks, work-men or others at any time employed by the company or any of its predecessors in business or their families or dependents and whether or not is common with other persons or classes of persons and in particular of friendly, cooperative and other societies, reading rooms, Libraries, educational and charitable institutions, refractories, dining and recreation rooms, churches, chapels, schools and hospitals and to grant gratuities, pensions and allowances and to contribute to any funds raised by public or local subscription for any purpose.

**Aid to labour and other industrial Association**

26. To aid pecuniarily or otherwise, any association, body of movement having for an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.

**Donations**

27. To subscribe or guarantee money for any national, charitable benevolent, public, general or useful object or for any exhibition subject to section 293A of the Companies Act, 1956.

**Provident Institutions**

28. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any persons who are or were at any time in the employment or service of the Company or is allied to or associated with the Company or with any such subsidiary company, or who are or were at any time Directors or officers of the company as aforesaid and the wives, widows, families and dependents of any such persons, and also establish, and subsidise and subscribe to any institutions, associations clubs or funds calculated to be for the benefit of or to advance the interest and well being of the Company or of any such other company as aforesaid and make payments to or towards the insurance of any such persons as aforesaid, and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

**Distribution in specie**

29. To distribute among the members in specie or on kind any property of the company, or any proceeds of sale or disposal of any property of the company, in the event of its winding up but so that no distribution amounting to a reduction of capital be made except with the sanction, (if any) for the time being required by law.

**Trustee and agency and any other business**

30. To carry on any other business whether manufacturing or otherwise that may seem to the Company capable of being conveniently carried on in connection with the above objects or calculated directly or

indirectly to enhance the value of or render profitable any of the Company's property or rights or which it may be advisable to undertake with a view to improving developing, rendering valuable or turning to account any property, real or personal belonging to the Company or in which the Company may be interested and to do all or any of the above things either as principals, agents, trustees, contractors, or otherwise and either alone or in conjunction with others and either by or through agents, subcontractors, trustees, or otherwise.

## **Manufacture & Dealers of Commodities**

31. To manufacture, produce, process, purchase and sell for all such purposes as may be considered necessary, essential or commercially expedient from time to time, Betelnuts, cardamom, menthol, essences, perfumes, catechu, tobacco, clove, thymol, zinzer, Camphor, Mush, Black Pepper, Saffron, Lime, Sandal Oil, Cassia, Cinnamon, Salt, Anisssed Herbs, Sugar Candy, Jaggery, Gur, Sugar other sweetening material gold and silver leaves and preparations, product, Mixture and things of any one or more of the said goods and things or containing any one or\* more of the said goods or the things.

## **Packing and Allied Lines**

32. To manufacture tin containers, labels and stickers and Corrugated Card Board Boxes for own use.
33. To open branches of the business or branch office of the Company anywhere in India or abroad.
34. To do all acts and things which are incidental or ancillary to the attainment of the main objects of the Company.

## **C. The other objects for which the Company is established :**

### **Storekeepers**

1. To carry on in any mode, the business of store-keepers in all its branches and in particular to buy, sell and deal in goods stores, consumable articles, chattels and effects of all kinds both wholesale or retail.

### **Importers & Exporters And Agents**

2. To carry on business as importers and exporters of goods or merchants of any description or to act as shippers, under writers, commission agents, advertising agents, travelling agents, transport agents, forwarding and clearing agents, brokers, estate agents and hardware merchants traders and dealers.

### **Engineering Goods**

3. To carry on the business of manufacturers of and dealers in automobile parts, accessories, ancillaries, stores and spares and to engineer, develop, design, assemble manufacture, produce, import and export, buy, sell and otherwise deal in industrial, mining agricultural and other machines and all types of tools, plants, equipments, instruments, appliances, and hardware of all kinds general fittings accessories and appliances of all description made of metal, alloy, glass synthetic and other fibres, chemicals and PVC compounds and plastics.

### **Electrical Engineers**

4. To carry on the business of electrical engineers, electricians, engineers, contractors, manufacturers, constructors, suppliers, of and dealers in electrical and other appliances, cables wirelines, dry-cells,

\* Altered vide Special Resolution passed on 23-09-2011



accumulators, lamps and works and to generate, accumulate distribute and supply electricity for the purpose of light, heat motive power and for all other purposes for which electrical energy can be employed and to manufacture and deal in all apparatuses, things connected with generation, distribution, supply, accumulation and employment of electricity included in the term electricity, all power that may be directly or indirectly derived therefrom or may be incidentally here after discovered in dealing with electricity.

### **Electrical Equipment**

5. To manufacture and / or produce and / or otherwise engage generally in the manufacture or production of or dealing in electrical kilowatt hour meters, magnets, electromagnets, power cables, industrial jewels, ammeters, voltmeters and other types of measuring instruments, electrical or non- electrical, die casting screws, nuts and bolts, transformers of all types, circuit breakers, punched card machines, computers and calculators and their accessories, hoists, elevators, trolleys and coaches, winches, power generators, magnetic separators, winders, air compressors, welders, fans of all types, switches and motors of all types, drills, electric grinders, air conditioners, refrigerators, washing machines, television and wireless apparatus including radio receivers and transmitters, electronic instruments, diodes, transistors and allied items, watches and clocks, cameras and any house hold appliances and any equipment used in generation, transmission and receiving of sound, light and electrical impulses, and component parts thereof and other materials and products.

### **Mechanical Engineers**

6. To carry on the business of mechanical engineers, machinists, fitters, millwrights, founders, wire drawers tube makers, metallurgist, saddlers, galvanizers, japanners, annealers, enamellers, electroplaters and painters.

### **Data Processing**

7. To carry on a general business of providing comparative information about the characteristics, interest or other attributes of individuals, communities organisations, countries or other social units and of any articles or commodities or economic trends or persons, to design, invent, prepare own make use of, lease sell or otherwise dispose of and generally, to deal in and with computers data processing machines, tapes, cards memory equipment or any other equipment and materials of every kind and description useful in connection with this business, to license or otherwise authorise to engage in the foregoing, and to engage in general research and development in areas related to or involving\* the foregoing.

### **Wood Products**

8. To grow, take on lease, acquire, develop, deal in plantations, and forests, and to process in all aspects timber, wood plywood, all kinds of wood and to make products wherein wood is a constituent part and to design, develop, fabricate any products, involving the use of wood.

### **Chemicals and Fertilizers**

9. To produce, manufacture, use, buy or otherwise acquires, sell, distribute, deal in and dispose of alkalies and acids, gases, compounds, fertilizers, chemicals and chemical products of every nature and description\* and compounds, intermediates derivatives and bye-products thereof and products to be made therefrom (thereinafter for convenience referred to generally as chemicals and chemical products) including specifically, but without limiting the generality of the foregoing, calcium carbide, calcium cyanamide, vat, solubilised

\* Altered vide Special Resolution passed on 23-09-2011



vate, azoic salts, naphthols, all types of floatation reagents, wetting agents, insecticide and fumigents, plastics and resins, dyestuffs, explosives, catalytic agents, foods, direct colours, basic and rapid fast colours, pigments, drugs, biologicals, pharmaceuticals, serums, vitamin products, hormones, sutures, ligature, drugs for disease or disabilities in men or animals, and products derived from phosphate, mines, limestone, quarries, bauxite, mines, petroleum natural gas and other natural deposits useful or suitable in the manufacture of chemicals and chemicals products as here in above defined.

## Oils

10. To manufacture, produce, refine, process, purchase, store, sell and generally to trade and deal in hair oil, medical oils and mineral oils, and all products and bye-products thereof including soap, paint, varnish, lubricants ghee and butter or their substitutes, oil cloth, candles, tallow substitutes glycerine and in connection therewith to acquire, construct, repair, operate and use factories and other refineries, buildings, mills, factories, distilleries, ghanies, rotary, expellers, mechanical or hydraulic press.

## Resins and Paints

11. To carry on business of manufactures, and dealers, importers and exporters of natural and synthetic resins, moulding powders, adhesives and cements, oil paints, distempers, cellular paints, colours, varnishes, enamels, gold and silver leaf enamels spirits and other allied articles.

## Calcined Coke

12. To carry on development and research work and to manufacture, calcine, refine, process, import, export, buy, sell and deal in coke\*, calcined petroleum coke and coal tar anthracite coal and to draw out, manufacture and deal in coal tar and canlion products and other bye-products as may be possible and to utilise waste gases for industrial uses and purposes.

## Glass

13. To manufacture, prepare, import, export, buy, sell and otherwise deal in all kinds of glass, glassware, glass goods, mirrors, looking glass, scientific glass, wares sheet and plate glass bangles, false pearls, bottles, phials and all kinds of articles, prepared of glass and to carry on the business of glass patent solvers, glass embossers, accilestical lead workers, tablet, show card and show case manufacturers.

## Instruments

14. To manufacture, produce, assemble, distribute, stock barter, exchange, pledge, repair use, buy, sell, import and export and otherwise deal in all types of scientific instruments, and their accessories testing instruments, process control instruments, electrical and electronic instruments, national, aeronautical and survey instruments, optical and ophthalmic instruments, general laboratory, medical and surgical instruments, apparatuses, scientific laboratory, glassware, photographic, chemical and other instruments, apparatuses, appliances, equipments, devices, contrivances, their accessories and components.

## Agricultural Machinery

15. To engineer, develop, design, assemble, manufacture, produce, import, export, buy, sell operate, run let on hire and otherwise deal in :
  - (a) All kinds of earth moving and agricultural machines, petrol and diesel engines, tools, plants, tractors, equipments, spares, appliances, implements, accessories\*, mobile or otherwise.
  - (b) Heavy vehicles and machines for agricultural and land reclamation, drainage irrigation, water works, engineering, forest clearing, pumping and other purposes.

\* Altered vide Special Resolution passed on 23-09-2011

- (c) Spraying machines, vehicles and equipments whether mobile or otherwise.
- (d) Mobile workshops, and garage equipments, for repair and service stations.
- (e) Tubewells, pumps, floating or otherwise, motors and irrigation machinery.
- (f) Transportation equipment for movement of its products or stores, machines or personnel and as general purpose freight carriers.

**Spraying**

16. To undertake the business of distribution and application of chemicals, fertilisers and pesticides, arial or otherwise and to maintain and run vehicles, aeroplanes and equipments for spraying and to run the said vehicles and aeroplane for hire as and passenger carrying crafts.

**Entertainment**

17. (a) To construct a cinematograph theatre and other building and works and conveniences, for the purpose thereof and to manage, maintain and carry on the said theatre and to let out other buildings when so erected or constructed.
- (b) To carry on the business of proprietors and managers of theatre (cinemas, picture, places and concert halls) and to provide for the production, representation and performance (whether by mechanical means or otherwise) of operas, stage, plays, operattas, burlesques, vaudevilles, revues, ballets, pantomimes, spectacular pieces, promenade and other concerts and other concert and other musical and dramatic performance and entertainments.
- (c) To carry on the business of restaurant keepers, wine and spirit merchants, licenses victuallers, theatrical agents, box office keepers dramatic and musical literature publishers and printers.
- (d) To manufacture films and other appliances and machines in connection with mechanical reproduction of transmission of pictures, movement, music and sounds and to organise and conduct theatrical production and entertainments of all kinds.
- (e) To enter into agreements with authors or other persons, for the dramatic or other rights of operas, plays, films operattas, burlesque vaudevilles, revues, ballet, pantomimes, spectacular pieces, musical compositions and other dramatic and musical performances and or for the representation thereof in India and elsewhere, as well as of foreign rights and to enter into engagements or all kinds with artists and other persons.

**Tourist Agents**

18. To carry on business as tourist agents and contractors and to facilitate traveling and to provide conveniences for tourist and travellers and promote the provisions of conveniences of all kinds in the way of through tickets, circular tickets, sleeping cars or berths, reserved places, hotel and lodging accomodation, guides, safe deposits, enquiry bureau\*, libraries laboratories, reading room, garage, transport and otherwise.

**Hotel**

19. To carry on business of hotel, restaurant, cafe, tavern, beer house restaurant room, boarding and lodging house keepers, licenced victuallers, wise, beer and spirit merchants, maltsters, manufacturers of aerated mineral and artificial waters and other drinks purveyors, caterers for public amusements, generally, coach

\* Altered vide Special Resolution passed on 23-09-2011



cab carriage and motorcar proprietors, livery stable and garage keepers, jobmasters, importers and brokers of food live, and deal stock, hairdressers, perfumers, chemists, proprietors of clubs, baths, dressing rooms, laundries, reading writing and newspaper rooms, libraries grounds and places of amusements and recreation, sport entertainment and instructions of all kinds, tobacco and cigar merchants, agents for railways, road, air and shipping companies and carriers, theatrical\* and opera-box office proprietors and general agents, and to provide services and facilities for all kinds on a commercial basis, that may be required for the tourist and entertainment industry.

## Architects and Builders

20. To carry on all or any of the business of constructional engineers architects, builders, contractors, decorators, electricians, wood workers and paviours and to acquire, develop, buy, sell real estate, multistoried or other buildings and group housing schemes.

## Real Estate

21. (a) To purchase, sell, develop, take in exchange, or on lease hire otherwise acquire, whether for investment or sale, or working the same, any real or personal\* estate including land, mines, business, buildings, factories, mills, houses, cottages, shops, depots, warehouses, machinery, plant, stock in trade, mineral rights, concessions, privileges, licences, easement or interest in or with respect to such property in such property in consideration for a gross sum or rent or party in one way and partly in the other for any other consideration.
- (b) To carry on business as proprietors of flats and buildings and to let on lease or otherwise apartments therein, and to provide for the conveniences commonly provided in flats, suites and residential and business quarters.

## Carriers

22. To carry on all or any of the business of transport, cartage and haulage contractors, garage proprietors owners and charterers of road vehicles, air crafts, ships, tugs, barge and boats of every description, lightment, carriers of goods and passengers by road, rail, water or air carmen, cartage, contractors, stevedores, wharfingers, cargo superintendents, packers, hauliers, warehousing, storekeepers and jobmasters.

## Farming and Horticulture and Processing

23. To carry on the business of farming, horticulture, floriculture, sericulture\*, dairies, cultivators, of all kinds of food grains seeds, fruits, proprietors of orchard and traders, exporters, dealers and sellers of the products of farming, dairy, horticulture, floriculture, sericulture and pisciculture and fishing and manufacturers of drinks alcoholic or otherwise, including beverages produced from such products or otherwise, to carry on the business of cultivators, growers, manufacturers, millers, grinders, rollers, processors, cold stores, canners and preservers and dealers of foods grains and other agricultural dairy horticultural and poultry products, fruits, vegetables, herbs, medicines, flowers, drinks, fruits, gas and fresh and preservable products and to extract bye-products derivatives, whether edibles, pharmaceuticals, medicines or of any other kinds and food preparation of every kind and description and generally to carry on the business of manufacture of and trading in preserved, dehydrated, canned or converted agricultural products, fruits and vegetables, provisions, food dairy and poultry products and articles and other derivatives of all kind and descriptions and to set up and run machinery for processing and preserving the same.

\* Altered vide Special Resolution passed on 23-09-2011



**Research and Experiments**

24. To establish experimental farms and research stations any where in India for conducting experiments test and research for developing better qualities of good grains and agricultural products and for developing milch strain in cattle by cross breeding or otherwise and increasing egg laying capacity in poultry and also for finding outways and means or improving other agricultural crops, produce seeds fodder crops and cattle feed of all kinds.

**Food and Dairy Products**

25. To manufacture, process, chemically electrically or by any other means, refined, extract, hydrolize, manipulate, mix, deodorise, grind, bleach, hydrogenate, buy, sell, import, export, produce or otherwise deal in, seeds and agricultural products, food, food products, dietetic products and preparations patent drugs and proprietary articles of all kinds whether basic or derived and in all forms and in particular protein foods of all kinds and all other ingredients, and all other incidental\* products.

**Dealing and Speculation**

26. To buy, sell and deal in shares and securities, foreign exchange, gold, diamond, precious stones, jewellery silver, cotton, jute hessian, oils, oils-seeds and commodities of all kinds agricultural or otherwise, finished or unfinished and to take delivery and hold them as permitted under the law from time to time in force and to speculate in shares and securities.

**Boutiques**

27. To organise, run, operate and promote the business of interior decorators, furniture and carpet designers and manufacturers, boutiques, operators of fashion centres, fashion shows and to make acquire, deal in any way in handicrafts, objects or art, precious stones, jewellery, whether artificial or otherwise, and articles wherein precious metals or precious stones may be used, in textiles fabrics, and to manufacture and deal in any products as are dealt in by boutiques, fashion shows and interior decorators.

**Technical Information and Know-how**

28. To acquire from or sell any person, firm or body corporate or unincorporate, whether in India or elsewhere technical and managerial information, know-how, processes, engineering manufacturing, operating and commercial data, plus, layouts and blue prints useful for the design, erection and operation of any plant or process of manufacture and to acquire and grant or licence other rights and benefit in the foregoing matters and things to render any kind of management and consultancy service.

**Printers and Stationers**

29. To carry on business as general, commercial colour, craft and process printers, lithographers, photographers, engravers, dye\* makers, publishers of newspapers, books magazines, art and musical production, plant and chart printers, press and advertising agents, contractors, ink, dye\*, colour and chemical manufacturers, manufacturers of metal and other signs, manufacturers and dealers of containers and components, and machinery manufacturers and dealers in printing machinery, type and all printers, suppliers, book binders and stationers.

**Paper**

30. To carry on the business of manufacturers of and dealers in all kinds and classes of paper and pulp including sulphite and sulphate wood, pulp, mechanical pulp and soda pulp and papers including transparent, vellum, writing, printing, glazed, absorbent, newsprinting, wrapping, tissue, cover, blotting, filte, bank or

\* Altered vide Special Resolution passed on 23-09-2011

bond, badmi, brown, puff or coloured lines, azure laid grass or water proof hand made parchment, drawing, kraft, carbon, envelop, and box and straw duplex and triplex board and all kinds of articles in the manufacture of which is in any form pulp, paper or board is used and also to deal in or manufacture artificial leather or all varieties, grades, and colours.

## Rubber and Plastics

31. To promote, establish, acquire and run or otherwise carry on the business of any plastic or rubber industry or business of manufacture of materials for use in such industries or business such as wax, paper, bakelite plywood, celluloid products, chemicals of all sorts and other articles or things and similar or allied products or process and to sell, purchase or otherwise acquire or deal in materials or things in connection with such trade and industry.

## Textiles

32. To carry on the business of processors, combers, spinners, weavers, knitters, manufacturers, dyers, bleachers, finishers, laminators, balers and pressers of any fibrous or textile material whether and agricultural or animal or natural products or\* its bye-products, or chemicals or synthetic fibre and more specially jute, hemp, silk, cotton, wool mesta, nylon, terene, staple fibre and to manufacture any product from such raw material or textile material and to carry on the business of buyers, sellers and dealers of all such raw or processed or semi processed materials and to transact all manufacturing, cutting and preparing processes and mercantile business that may be beneficial in the said business.
33. To act as makers, manufacturers of artificial manures and fertilizers of every description, metal manufacturers, grain and seed merchants, flax and cotton merchants, floor cloths and floor covers, millers, flour merchants, bakers, biscuit makers hay, straw and fodder merchants, nurserymen, ship owners, lighemen, carriers by sea and land, dock owners, wharfingers, warehousemen, manufacturers, chemists and druggist, varnish makers, candle makers and stearin and saccharine manufacturers.
34. To carry on the business of finance and investment in all these branches subject to the provisions of Prize-Chits, Money Circulation Schemes (Banning) Act, 1978, and Banking Regulations Act, 1949.

## Holding stocks Share and Securities

35. To subscribe for, underwrite, acquire hold, and sell share, share stock, debentures, debenture - stock, bonds, mortgages, obligations securities of any kind issued or guaranteed by any company (Body corporate or undertaking) carrying on business and to subscribe for, underwrite acquire, hold and sell shares, share stock, debentures and debenture-stock bonds mortgages, obligations and other securities issued or guaranteed by any Government, sovereign, ruler, commissioners, trust municipal local or other authority or body of whatever nature, whether in India or elsewhere.

## IV. The Liability of the Members is Limited

# V. The Authorized Share Capital of the Company is ₹ 61,50,00,000/- (Rupees Sixty one crore fifty lac) consisting of 6,15,00,000 (Six crore fifteen lac) equity shares of ₹ 10/- (Rupees Ten) each."

# Altered vide Special Resolution passed on 06.02.2025



# KOTHARI PRODUCTS LIMITED

NAME, ADDRESS, DESCRIPTIONS AND OCCUPATION OF SUBSCRIBERS	SIGNATURE OF SUBSCRIBERS	NO. OF SHARES TAKEN BY EACH SUBSCRIBER	NAME, ADDRESS, DESCRIPTIONS AND OCCUPATIONS OF WITNESS
<b>M.M. Kothari Mansukhlal</b> S/o Mahadev Bhai Kothari R/o 16/72, Civil Lines, Kanpur (Business)	Sd/- M.M. Kothari	Ten (10) Pref. Shares and One (1) Equity Shares	Sd/- Ramji Mehrotra Chartered Accountant S/o Late Shri B. P. Mehrotra R/o 16/49, Civil Lines, Kanpur
<b>Vikram Kothari</b> S/o M. M. Kothari R/o 16/72, Civil Lines, Kanpur (Business)	Sd/- Vikram Kothari	One (1) Equity Share and Ten (10) Pref. Shares	
<b>Arti Kothari</b> Wife of Deepak Kothari R/o 16/72, Civil Lines, Kanpur (Business)	Sd/- Arti Kothari	One (1) Equity Share and Ten (10) Pref. Shares	

Dated the : 7th day of September, 1983



[UNDER THE COMPANIES ACT, 1956]  
PUBLIC COMPANY LIMITED BY SHARES  
**ARTICLES OF ASSOCIATION**  
**OF**  
**KOTHARI PRODUCTS LIMITED**  
**(A JOINT STOCK COMPANY)**

**PRELIMINARY**

**Interpretation**

1. Unless the context otherwise requires, words or expressions contained in these Articles shall bear the same meaning as in the Act.

The marginal notes hereto shall not effect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith.

**The Act** means the Companies Act, 1956 including any statutory modification or reenactment thereof, for the time being in force.

**These Articles** means these Articles of Association as originally framed or as from time to time altered by Special Resolution.

**The Company** means **KOTHARI PRODUCTS LIMITED**.

**The Board or Board of Directors** means the Board of Directors of the Company for the time-being.

**The Directors** means the Directors of the company for the time being.

**The Office** means the Registered Office of the Company for the time being.

**The Register** means the Register of Members to be kept pursuant to section 150 of the Act.

**Dividend** includes Interim Dividend.

**Month** means English Calendar Month.

**Year** means a calendar year and Financial Year shall have the meaning assigned thereto by Section 2(17) of the Act.

**Proxy** includes Attorney duly constituted under a Power of Attorney.

**Seal** means the Common Seal of the Company.

**In Writing** and **Written** shall include printing lithography and other modes of representing or reproducing words in a visible form.

**Words** denoting the singular number only include the plural number and vice versa.

**Words** denoting the masculine gender only include the feminine gender and vice versa.

**Words** denoting persons include corporation.

**Beneficial Owner** shall mean beneficial owner as defined in clause (a) of sub section (1) of Section 2 of the Depositories Act, 1996.

**Depositories Act, 1996**, shall include any statutory modification or re-enactment thereof ; and

**Depository** shall mean a Depository as defined in Clause (e) of sub section (1) of Section 2 of the Depositories Act, 1996.

Table A not to apply. The regulations contained in Table F of Schedule I of the Companies Act, 2013, shall apply to the Company in so far as they are not inconsistent with or repugnant to any of the regulations contained in the Articles of the Association of the Company.

## SHARES

@ 3. The Authorized Share Capital of the Company is ₹ 61,50,00,000/- (Rupees Sixty one crore fifty lac) consisting of 6,15,00,000 (Six crore fifteen lac) equity shares of ₹ 10/- (Rupees Ten) each."

Redeemable  
Preference Share

(1) The Company shall have power to issue Preference Shares carrying right of redemption out of Profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company and the Board may subject to the provisions of section 80 of the Act, exercise such power in such manners as it thinks fit.

Terms of Issue of  
Debentures

(2) Any Debentures, debenture, stock or other Securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination and with any privileges and conditions as to redemption, surrender drawing, allotment of shares attending (but not voting) at the General Meeting, appointment of Directors and otherwise debentures with the right to conversion into or allotment of shares, shall be issued only with the consent of the company in the General Meeting by a special resolution.

Further Issue of  
Shares

5. (1) (i)\* Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares whether out of the unissued capital or out of the increase shares capital then :

(a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.

(b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of the offer and the offer if not accepted will be deemed to have been declined.

\* Altered vide Special Resolution passed on 23.09.2017

\* Altered vide Special Resolution passed on 06.02.2025

- (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline\*, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
  - (d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person (s) as they may think, in their sole discretion, fit.
- ii) Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any person (whether or not those persons include the persons referred to in clause (a) of sub clause (1) hereof) in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the Company in General Meeting, or
  - (b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- (iii) Nothing in sub-clause (c) of (1) hereof shall be deemed;
- (a) To extend the time within which the offer should be accepted; or
  - (b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (iv) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company.
- (a) To convert such debentures or loans into shares in the Company ; or
  - (b) To subscribe for shares in the Company (whether such option

\* Altered vide Special Resolution passed on 23-09-2011



is conferred is these Articles or otherwise).

**PROVIDED THAT** the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

**Shares at the Disposal of the Directors** 5.

- (2) Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any service rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call for shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

**Buy Back of Securities** 5A.

Subject to and in full compliance of the requirements of Section 77A, 77AA, 77B and any other applicable provisions of the Companies Act, 1956 or corresponding provisions of any re-enactment(s) thereof, the Company may, upon the recommendation of the Board, at any time buy back its own shares or securities.

**Issue of Shares at Discount** 6.

Subject to the provisions of the Act, it shall be lawful for the Company to issue at a discount, shares of class already issued.

**Sweat Equity Shares** 6A.

The Company may, subject to the provisions of Section 79A of the Companies Act, 1956 and SEBI Guidelines in this behalf, issue Sweat Equity Shares of a class of shares already issued.

**Commission for Placing Shares** 7.

The Company may, subject to the Compliance with the provisions of section 76 of the Act, exercise the powers of paying commission on the issue of shares and debentures or debenture stock\* of the Company.

\* Altered vide Special Resolution passed on 23-09-2011

**Brokerage**

8. The Company may pay a reasonable sum of brokerage, subject to the ceiling prescribed under the Act.
9. Save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly shall not except as ordered by a court of competent jurisdiction or as by law required, be bound to recognise any trust benami or equitable or other claim to or interest in such shares or any fractional part of a share whether or not it shall have express or other notice thereof.

**CERTIFICATE****Certificate**

10. The certificate of title to shares shall be issued under the seal of the company.

**Limitation of time for issue of certificates**

11. Every member shall be entitled, without payment, to one or more certificate in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approved (upon paying such fee as the Directors may from time to time determined) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within 3 months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the numbers and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the Directors may prescribe or approve provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder.

**Issue of New Certificate in place of one defaced, Lost or Destroyed**

12. (1) 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company being adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate(s) under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe.

**Fee on sub-division of shares issue of new certificate etc.**

- (2) Provided that no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where there is no further space on the back thereof for endorsement of transfer.

**PROVIDED THAT** notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable in this behalf.

\* Altered vide Special Resolution passed on 23-09-2011

The Provision of this Articles shall mutatis mutandis apply to debentures of the Company.

### **JOINT HOLDERS OF SHARES**

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

**Maximum number**

- (a) The company shall not be bound to register more than three persons as the joint holder of any share(s).

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

**Survivors of  
joint holders  
only recognised**

- (c) On the death of any one of such joint holders the survivor or survivors shall be the only person recognised by the company as having any title to or interest in such shares but the Board may require such evidence of death as it may be deem fit.

**Delivery of  
Certificates**

- (d) Only the person whose name stands first in the Register as one of the joint holders of any share(s) shall be entitled to delivery of the certificate relating to such share(s).

- 13A. Nothing contained in Article 10, 11, 12 & 13 (c) & (d) shall apply to securities held in electronic form in Depository and the provisions of the Depositories Act, 1996 shall apply.

### **CALLS**

**Calls**

14. The Board may, from time to time, subject to the terms on which any share(s) may have been issued make such calls, as it thinks fit, upon the members in in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotments there to made payable at fixed times, and each member shall pay the amount of every call so made on him, to the person(s) and the times and places appointed by the Board. A call may be made payable by instalments.

15. A call shall be deemed to have been made at the time when the resolution of the Board authorising each call has been passed.

**Notice to call**

16. Not less than 30 days notice of any call shall be given specifying the time, place of payment and to whom such call shall be paid.

**Amount payable**

17. If by the terms of Issue of any share or otherwise, the whole or part of the amount of issue price there of is made payable at any fixed time or by instalments at fixed times, every such amount or issue price or instalments there of shall be payable as if it were a call duly made by the Board and of which due notice had been given and all the provisions herein contained in respect of call shall apply to such amount or issue price or instalments accordingly.



**Interest to be charged on non-payment of calls**

18. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for the payment thereof, the holder, for the time being of the share in respect of which the calls shall have been made or the instalment shall have been made or the instalment shall be due, shall pay interest for the same at the rate of 24 percent per annum from the day appointed for the payment thereof to the actual day of payment or at such other rate as the Board may determine but it shall have power to waive the payment thereof wholly or in part.

**Evidence in actions by Company against Shareholders**

19. On the trial or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money to the company in respect of his claimed to be due share, it shall be sufficient to prove that the name of the defendant is, or as when they arose, on the Register of the Company as a holder, or one of the holders of the shares of the Company as holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**Payment in Anticipation of call may carry interest**

20. The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance, and the Directors agree upon provided that money paid in advance, of calls shall not confer a right to participate in profits or dividends. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these articles shall mutatis mutandis apply to the calls on debentures of the Company.

**FORFEITURE AND LIEN**

**Notice may be given for calls or installment not paid**

21. If any member fails to pay any call or instalment on or before the day appointed for the payment of the same. The Board may at any time thereafter, during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may have been accrued and expenses, that may have been incurred by the Company by reasons of such nonpayment.

**Form of notice**

22. The notice shall name a day (not being less than\* 30 days from the date of the notice) and a place or places on and at which such call or instalment and

\* Altered vide Special Resolution passed on 23-09-2011

such interest and expenses aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and place or places appointed the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.

**If notice not  
compiled with  
shares may  
be forfeited**

23. If the requirement of any such notice as aforesaid is not complied with, any shares in respect of which such notice has been given may, at any time, thereafter, before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture. Neither the receipts by the Company of a portion of any money which shall from time to time be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

**Notice after  
forfeiture**

24. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

**Forfeited shares to  
become property of  
the Company**

25. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, reallocate or otherwise dispose of the same in such manner as it thinks fit.

**Power to Annual  
forfeiture**

26. The Board may at any time, before any share so forfeited shall be sold reallocated or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.

**Arrears to be paid  
notwithstanding  
forfeiture**

27. Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and the expenses, owing upon or in respect of such shares at the time of forfeiture together with interest there upon from time of forfeiture until payment at 24 percent per annum or such other rate as the Board may determine and the Board may enforce the payment thereof without any deduction or allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.

**Effect of forfeiture**

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

**Evidence of  
forfeiture**

29. A duly verified declaration in\* writing that the declarant is a Director of the Company and that Certain shares in the Company have 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 shares and the receipt of the Company for the consideration if any given for the shares on the sale or disposition thereof, shall constitute as giving title to such shares.

\* Altered vide Special Resolution passed on 23-09-2011



**Company's Lien on Share/Debentures**

30. The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale there of for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and conditions that this articles will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien, if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

**Intention as to enforcing Lien**

31. For the purpose of enforcing such lien, the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell, shall have been served upon such member, his committees, curator bonis or other person recognised by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residue (if any) paid to such member, his executors, administrators, or other representative or person so recognized as aforesaid.

**Validity of shares**

32. Upon any sale, forfeiture or enforcing a lien in purported exercise of the powers by these presents given the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and after his name has been entered in the Register in respect of such shares, his title to such shares shall not be effected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**Power to issue new certificate**

33. Where any shares under the powers in that behalf herein contained are sold by the Board and the certificate thereof has not been delivered to the Company by the former holder of the said shares the Board may issue\* certificates in lieu of certificates not so delivered up.

**TRANSFER AND TRANSMISSION OF SHARES****Execution of transfer etc.**

34. (1) Subject to the provisions of the Act, no transfer of shares shall be registered unless a proper instrument of transfer, duly stamped and executed by or on behalf of the transferor and transferee has been delivered to the Company together with the certificate or certificates of the shares or if no such certificate is in existence alongwith the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by# or on behalf of the transferor and by or on behalf of transferees and the transferor shall be deemed to remain

\* Altered vide Special Resolution passed on 23-09-2011

# The word "on" has been deleted vide Special Resolution passed on 23-09-2011



the holder of such share until the name of the transferee is entered in the Register in respect thereof.

- |   |     |   |
|---|-----|---|
| <b>Instrument of transfer</b>                     | (2) | The instrument of transfer shall be in writing and all provisions of section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration there of.   |
| <b>Application for Transfer</b>                   | 35. | Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall, in the case of partly paid shares, be effected unless the Company gives notice of the application to the transferee in the manners prescribed by the Act, and subject to the provisions of Article 37 and 38 hereof, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee. |
| <b>Notice of transfer to registered holder</b>    | 36. | Before registering any transfer tendered for registration the Company may, if it so things fit, give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the company within seven days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.  |
| <b>Register of transfer</b>                       | 37. | The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer of any shares held in material Form* and in the case of transfer of any share etc. held in electronic form in a depository, the provisions of the Depositories Act, 1996 shall apply.   |
| <b>Directors may refuse to register transfer</b>  | 38. | Subject to the provisions of section IIIA of the Act, the Directors may, with sufficient cause, refuse to register transfer of Shares.  |
|   | 39. | Provided that Registration of Transfer/Transmission shall not be refused on the ground of the transfer or being either alone or jointly with any other person or persons indebted to the company on any account whatsoever* accept when the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused. No transfer shall be made to a person of unsound mind and no fee shall be charged for registration of transfer, grant of probate, grant of letter of administration certificate of death or marriage, power of attorney or similar, other documents.  |
| <b>When instrument of transfer to be retained</b> | 40. | All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instrument of transfer shall be returned to the person who lodges the transfer deeds.  |
| <b>Notice of refusal to register transfer</b>     | 41. | If the Board refuses to register the transfer of any shares, the Company shall, within one month from the date on which the instrument was lodged with the Company or intimation given, send to the transferor and the transferee or the person giving intimation, of such transfer, notice of such refusal.  |

\* Altered vide Special Resolution passed on 23-09-2011

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| <b>Power to close transfer book &amp; register</b>  | 42.  | On giving seven days notice by advertising in a newspaper circulating in the district in which the office of the Company is situated, the register of members may be closed during such time as the Board thinks fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.  |
| <b>Transmission of shares without nomination being made</b>   | 43.  | The Executors or administrators or the holder of a succession certificate in respect of shares of deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognise as having any title to the shares registered in the name of such members and in case of death of any one or more of the joint holders of any registered shares the survivors shall be only the persons recognised by the Company having any title to or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person, before recognising any legal representative or heir or a person, otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate, or other legal representation, as the case may be from a competent court, provided nevertheless that in any case where the Board in its absolute discretion thinks fit shall be lawful for the board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the board may consider desirable.   |
| <b>As to transfer of shares of deceased or insolvent members ("transmission article"). Notice of election to be registered (provisions of articles relating to transfer applicable)</b> | 44.  | Any person becoming entitled to or to transfer shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this article, or of his title as the Board thinks sufficient, may with consent of the Board (which it shall not be under any obligation to give) be registered a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This article is hereinafter referred as "The Transmission Article." Subject to any other provisions of these Articles if the person becoming entitled to shares under this or the last preceding Article shall elect to be registered as a member in respect 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 he shall elect to transfer to some other person he shall execute any instrument of transfer in person he shall execute an instrument of transfer in accordance with the provisions of these articles relating to transfer of shares. All the limitations restrictions and provisions of the Articles relating to the rights of transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid. |
| <b>Rights to executors &amp; trustees</b>   | 45.  | Subject to any other provisions of these Articles if the Board in its sole discretion is satisfied in regard thereof, a person becoming entitled to a share in consequence of death or insolvency of a member may receive and give a discharge for any dividends or other moneys payable in respect of the share.  |
| <b>Transmission of shares with nomination already made</b>  | 46.  | Transmission of shares in respect of which nomination has been made under section 109A of the Act, shall be governed by the provisions of Section 109B of the Act.   |
|   | 46.A | Nothing contained in Article 34, 35, 36, 38, 39, 40, 41, 43, 44 & 46 or Section 108 of the Companies Act, 1956 shall apply to transfer and transmission of   |



securities which are held in depository system. The Provisions of the Depositories Act, 1996 shall apply in respect of the shares held in the dematerialised form as to their transfer, transmission etc.

- 46.B Save as herein provided the Company shall be entitled to treat the persons whose name appears on the Register of Members as the holder of any share or whose name appears as the beneficial Owner of shares in the records of the Depository, as the absolute owner thereof and accordingly shall not except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equitable, contingent, future or partial or other claim or claims or right to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.
- 46C (i) **Dematerialisation of Securities :-** The Company shall be entitled to dematerialise its existing shares, debentures & other securities, rematerialise its shares, debentures & securities held in Depository and / or to issue its fresh shares, debentures and other securities in a dematerialised form pursuant to the Depositories Act, 1996 and any rules framed thereunder.
- (ii) **Securities in Depository mode to be in fungible form :-** All the securities held in the depository mode with a depository shall be dematerialised and be in a fungible form and nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to them.
- (iii) **Conversion of shares held in physical mode to dematerialised form :-** Upon receipt of certificate of shares on surrender by a person who has entered into any agreement with the depository, the Company shall cancel such certificate and substitute in its records the name of depository as the registered owner in respect of the said shares and shall also inform the depository accordingly.
- (iv) **Rematerialisation of Securities :-** If a beneficial owner opts out of the depository in respect of any shares of the Company and the Company receives due intimation thereof from the depository, the Company shall on fulfilment of such conditions and on payment of such fees as may be prescribed or determined by the Board, issue certificate of the said shares to the beneficial owner or the transferee, as the case may be.
- (v) **Register and indices of beneficial owners :-** For the purposes of this Article, the Registers and Indices of Members and Debenture holders shall be deemed to include the registers and Indices of beneficial Owners maintained under the Depositories Act, 1996 by every Depository in respect of securities issued by the Company.
- 46D. **Nomination :-** Not with standing anything contained herein, a Member has a right to nominate one or more persons as his/her nominee(s) to be entitled to the rights and privileges as may be permitted under the law in the event of death of the said member(s) subject to the provisions of the Companies Act, 1956 and other applicable laws.

**SHARE WARRANTS****Power to issue share warrants**

47. Subject to the provisions of Sec. 114 and 115 of the Act, and subject to any directions which may be given by the Company in General Meeting the Board may issue share warrants in such manner and on such term and conditions as the Board may deem fit. In case of such issue Regulation 40 to 43 of Table 'A' in Schedule-1 to the Act shall apply.

**STOCKS****Stocks**

48. The Company may exercise the power of conversion of its shares into stock and in that case regulation 37 of the table 'A' in Schedule-1 to the Act shall apply.

**ALTERATION OF CAPITAL****Power to subdivide and consolidate**

49. The Company may by ordinary resolution from time to time alter the conditions of the Memorandum of Associations as follows :-
- (a) Increase the share capital by such amount to be divided into shares of such amount as may be specified in the resolution.
  - (b) Consolidate and divide all or any of the share capital into shares of the larger amount than its existing shares.
  - (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amount if any unpaid on each reduced share shall be the same as it was in the share from which the reduced share is derived, and
  - (d) 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 and diminish the amount of its share capital by the amount of the share so called.

**Surrender**

50. Subject to the provisions of Section 100 to 104 (both inclusive of the Act), the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

**MODIFICATION OF RIGHTS****Power to modify rights**

51. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with consent in writing of the holders of three-fourth of the issued shares of that class, or with the sanction of a special Resolution passed at a Separate Meeting of the holders of the shares of that class. To every such separate meeting the provisions of the Articles relating to general meeting shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one tenth of the issued shares of the class but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum and



that any holder of shares of the class present in person or proxy may demand a poll and, on a poll, shall have one vote for each share of the class of which he is the holder. The Company shall comply with the provisions of Sec. 192 of the Act as to forwarding a copy of any such agreement or resolution to the Register.

### **BORROWING POWERS**

**Power to borrow**

52. The Board may from time to time at its discretion, subject to the provisions of sec. 292 and 293 of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company.

**Condition on which money may be borrowed**

53. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular by the issue of bonds, perpetual or redeemable debentures or debenture-stock, or any mortgage, or other security or the undertaking of the whole or any part of the property of the Company (both present and future), including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of a Company in general meeting and subject to the provisions of the Act.

**Issue at discount etc. or with special privilege**

54. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges as to the redemption, surrender, drawing, allotment of shares, appointment of directors and otherwise. Debentures, debenture-stock bonds and other securities may be made assignable, free from any equities between the Company and the person to whom the same may be issued.

**Instrument of transfer**

55. Same as provided in Sec. 108 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of debentures.
56. If the Board refused to register the transfer of any debentures, the Company shall, within two months from the date on which the instruments of transfer was lodged, with company send to the transferee and to the transferor notice of the refusal.

### **RESERVES**

**Reserves**

57. Subject to the provision of the Act, the Board shall in accordance with the Sec. 205 (2A) of the Act, before recommending any dividend set aside out of the profits of the Company such sums, as it thinks proper, as reserves which shall at the discretion of the Board, be applicable for any purpose to which the profit of the Company may be properly applied and pending such application may at the like discretion, either be employed in the business of the Company or be invested in such investment (other than shares of the Company) as the board may from time to time think fit. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as a reserve.

**Capitalisation**

58. Any general meeting may resolve that the whole or any part of the undivided profits of the company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as reserve or reserves or have been carried forward without being divided) be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportion on the footing that they become entitled thereto as capital and that all or any part of such capitalization\* amount be applied on behalf of such members in paying up in full any unissued shares of the Company which shall be distributed accordingly or towards payment of the uncalled liability on any issued shares and such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised amount. Provided that any sum standing to the credit of a share premium account or a capital redemption reserve account may for the purposes of this Article only be applied in the paying up of and unissued shares to be issued to members of the Company as fully paid bonus shares.

**Fractional  
Certificates**

59. For the purposes of giving effects to any resolution under two last preceding articles the Board may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificates and may determine that cash payments shall be made to any members in order to adjust the rights of all parties and may vest such cash in trustees upon such trust for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board, where requisite, a proper contract shall be filed in accordance with Sec. 75 of the Act and the Board may appoint any person to sign such contracts on behalf of the persons entitled to the dividend or capitalise fund and such appointment shall be effective.

**GENERAL MEETINGS****Extra Ordinary  
General Meeting**

60. The Board may, whenever it thinks fit, call an extra ordinary general meeting provided however if at any time there are not in India Directors capable of acting who are sufficient in number to form a quorum any directors present in India may call an extra ordinary general meeting in same manner as nearly as possible as that in which such a meeting may be called by the Board.

**Calling of extra  
ordinary general  
meeting on requisition**

61. The Board of Directors of the Company shall on the requisition of such member or members of the company as is specified in sub section (4) of Sec. 169 of the Act forth with proceed to call an extra ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of section 169 of the Act and of any statutory modifications thereof for the time being shall apply.

**Quorum**

62. The quorum for a general meeting shall be five members present in person.

**Chairman**

63. At every general meeting the chair shall be taken by the chairman of the Board of Directors. If at any meeting the Chairman of the Board of Directors be not present within fifteen minutes after the time appointed for holding the meeting or though present be unwilling to act as Chairman, the members present shall choose one of the Directors present to be Chairman or if no directors shall be present, and willing to take chair then the members present

\* Altered vide Special Resolution passed on 23-09-2011



shall choose one of their number, being a member entitled to vote, to be Chairman.

**Sufficiency of  
ordinary resolutions**

64. Any act or resolution which, under the provisions of these articles or of the Act, is permitted shall be sufficiently so done or passed if affected by an ordinary resolution unless either the Act or the articles specially require such act to be done or resolutions passed by special resolutions.

**When if quorum  
be present, meeting  
to be dissolved and  
when adjourned**

65. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting if convened upon a requisition of shareholders shall be dissolved but in any other case shall stand adjourned to the same day in the next week at same time and place unless the same shall be public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.

**How questions of  
resolutions to be  
decided at meetings**

66. In the case of an equality of votes, the Chairman shall both on a show of hands and a poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.

**Power to adjourn  
general meetings**

67. The Chairman of general meeting may adjourn the same from time to time and from place to place but no business shall be transacted at<sup>#</sup> any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. It shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for holding of the adjourned meeting.

**Business may  
proceed not  
withstanding  
demand of poll**

68. If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

## **VOTES OF MEMBERS**

**Vote of members**

69. (1) On a show of hands every member present in person and being a holder of equity shares shall have one vote and a duly authorised representative of a body corporate being a holder of equity shares shall have one vote.
- (2) On a poll the voting right of a holder of equity shares shall be as specified in Sec. 87 of the Act.
- (3) The voting rights of the holders of the preference shares including the Redeemable Cumulative Preference shares shall be in accordance with the provisions of sec. 87 of the Act.
- (4) No Company or body corporate shall vote by proxy so long as a resolution of its Board of directors under sec. 187 of the Act is in force and the representative named in such resolution is present at the general meeting at which the vote by Proxy is tendered.
70. A person becoming entitled to a share shall not before being registered as a member in respect of the share, be entitled to exercise in respect thereof any right conferred by membership in relation to meetings of the Company. If any

<sup>#</sup> The word 'at' has been inserted vide Special Resolution passed on 23-09-2011

member be lunatic or idiot, he may vote either on a show of hands or at a poll, by his committee, or other legal curator and such last mentioned persons may give their votes at the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote. He shall satisfy the Board of his rights under this articles unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

**Joint holders**

71. Where there are joint holders of any share one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the register in respect of such shares shall alone be entitled to vote in respect thereof. Similarly executor or administrators of a deceased member in whose name any shares stand first shall for the purpose of this Article be deemed joint holders thereof.

**Instrument appointing proxy to be in writing**

72. The instrument appointing a proxy shall be in writing under the hand of the appointer or of any attorney duly authorised in writing or if such appointer is a corporation under its common seal or the hand of its Attorney.

**Instrument appointing proxy to be deposited at the office**

73. The Instrument appointing a proxy and the power of attorney or other authority (if any) under which it signed or a notarially certified copy of that power of attorney shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, in default the instrument of proxy shall not be treated as valid.

**When vote by proxy valid though authority revoked**

74. 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.

**Form of instrument appointing proxy**

75. An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances admit.

**Validity of votes**

76. No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.

**Restriction of voting**

77. No members shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right or lien.



**DIRECTORS GENERAL PROVISIONS****Number of Directors**

78. The number of Directors shall not be less than three and not more than twelve, inclusive of nominee Directors.
79. The Board Shall have power at any time from time to time to appoint any person as a Director as an addition to the Directors but so that, the total number of Directors shall not at any time exceed the maximum number fixed by the articles, and any Directors so appointed shall hold office only until the next annual general meeting of the Company and shall be eligible for re-election.

**Share qualification of Directors**

80. A Director shall not be required to hold any share qualification.

**Remuneration of Directors**

81. Each Director shall be entitled to be paid out of the funds of the Company such sum as fees, by way of remuneration for his services not exceeding the sum of Rs. 1000 (Rupees One Thousand only), or as may be fixed by the Board from time to time for every meeting of the Board of Directors attended by him subject to the provisions of the Act, the Directors shall also be entitled to receive in each year commission @1% of the net profits of the Company such commission to be calculated on the net profits of the company to be computed in accordance with the provisions of the Act, and such commission shall be divided among the Directors in such proportion and manner as may be determined by them. The Board may allow and pay to any Director who is for the time being resident out of the place at which meeting of the Board may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending the meeting in addition to his remuneration as above specified. If any Director being willing is appointed to an executive office either whole time or part time or he is called upon to perform extra service or to make any special exertions for any of the purpose of the Company then subject to sec.198, 309, 310 & 314 of the Act, the Board may, remunerate such Director either by a fixed sum or by a percentage of profit or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may entitled to us.

**Continuing Director may act**

82. The Continuing Directors may act notwithstanding any vacancy in their body so that if the number falls below the minimum number above fixed, the Directors shall not, except for the purposes of filling vacancies or of summoning a general meeting act so long as the number is below the minimum.

**Directors may contract with company**

83. Subject to the provisions of Sec. 297, 299, 300 & 314 of the Act, the Directors (including Managing Director) shall not be Disqualified by reason of his or their office as such, from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender agent broker, lessor or otherwise, nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director of the Company or the Managing Director or with any firm in which any Director or a relative shall be a partner or with any other partner or with a private Company in which such Director is a member or Director interested be avoided nor shall any Director or otherwise so contracting or being such member or so interested be liable

to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

### **APPOINTMENT OF DIRECTORS**

#### **Appointment of Directors**

84. The Company in General Meeting may subject to the provisions of these articles and the Act, at any time elect any person to be Director and may from time to time increase or reduce the number of Directors and may also determine in what rotation such increased or reduced number is to go out of office.
85. If any Director appointed by the Company in general meeting vacates office of a Director before his term of office will expire in the normal course the resulting casual vacancy may be filled up by the Board at a meeting of the Board but any person so appointed shall retain office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under sec. 284 of the Act.

#### **Nominee Director**

86. The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board or Directors of the Company upon such terms and conditions as the Company may deem fit. The corporation, firm, or person shall be entitled from time to time to remove any such Director or Directors and appoint another or others in his or their place. He shall be entitled to the same right and privileges and be subject to the same obligations as any other Directors of the Company.

#### **Alternate Director\***

87. Subject to the provisions of Sec. 313 of the Act, the Board may appoint any person to act as an alternate Director for a Director during the latter's \*absence for a period of not less than three months from the state in which meeting of the Board are ordinarily held and such appointments shall have effects and such appointee whilst he holds office as alternate Director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly but he shall ipso facto vacate office if and when the absentee Director to state in which meetings of the Board are ordinarily held or the absentee Director vacates office as a Director.

### **ROTATION OF DIRECTORS**

#### **Rotation of Directors**

88. (1) Not Less than two third of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation.
- (2) At each Annual General Meeting of the company one third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one third shall retire from office.
- (3) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last

\* Altered vide Special Resolution passed on 23-09-2011



appointment, but as between persons who become Directors on the same day those to retire shall in default of and subject to any agreement among themselves be determined by lot.

- (4) If at any Annual General Meeting all the Directors appointed under Article 86 and 108 hereby are not exempt from retirement by rotation under sec. 255 of the Act, then to the extent permitted by the said section the exemption shall extend to the Director or Directors appointed under article 87. Subject to the foregoing provisions as between Directors appointed under any of the articles referred to above the Directors or Directors who shall not be liable to retire by rotation be determined in accordance with their respective seniorities as may be determined by the Board.

**Retiring Directors  
eligible for re-election**

89. A retiring Director shall be eligible for re-election and shall act as a Director through the meeting at which he retires.
90. Subject to any resolution for reducing the number of directors, if at any meeting at which the election of directors ought to take place, the place of retiring Directors not filled up, the meeting shall stand adjourned till the next succeeding day which is not a public holiday at the same time and place and if at the adjourned meeting, the places of the retiring directors are not filled up, the retiring directors, or such of them as have not had their places filled up shall (if willing to continue in office) be deemed to have been re-elected at adjourned meeting.

## **PROCEEDING OF DIRECTORS**

91. The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit, subject to sec. 285 of the Act. Notice in writing of every meeting of the Board shall ordinarily be given by a Director or such other officer of the company duly authorised\* in this behalf, to every Director for the time being in India and at his usual address in India.

**Quorum**

92. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of sec. 287 of the Act. if a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Directors present shall decide.

**Summoning a  
meeting of Directors**

93. The secretary may at any time, and upon request of any Director shall summon meeting of the Directors.

**Voting at meeting**

94. Subject to the provisions of section 316 & 386 of the Act, questions arising at any meeting shall be decided by a majority of votes, each Director shall have one vote and in case of an equality of votes, the Chairman shall have a second or casting vote.

**Chairman of  
meeting**

95. The Chairman of the the Board of Directors shall be the Chairman of the meeting of Directors provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, the Directors, present shall choose one of their number to be Chairman of such meeting.

\* Altered vide Special Resolution passed on 23-09-2011

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| <b>Act of meeting</b>  | 96. | A meeting of Director for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the articles of the Company and the Act for the time being vested in or exercisable by the Directors generally.   |
| <b>To appoint committee and to delegate power and to revoke it</b> | 97. | The Board may subject to compliance of the provisions of the Act from time to time delegate any of their powers to a committee consisting of such member or members of their body as it thinks fit, and may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. The meeting and proceedings of any such committee, if consisting of two or more members, shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Board under this article. |
| <b>Validity of Acts</b>  | 98. | All acts done at any meeting of Directors or of a committee of the directors or by any person acting as a Director shall be valid notwithstanding* that it be afterwards discovered that there was some defect in the appointment of any such Director, committee of person acting as aforesaid or that they or any of them were disqualified.   |
| <b>Resolutions by circulation</b>                                  | 99. | Except a resolution which the Act, requires it specifically to be passed in a Board meeting a resolution may be passed by the Directors or committee thereof by* circulation in accordance with the provisions of sec. 289 of the act. And any such minutes of any meeting of Directors or any committee or of the company if purporting to be signed by the Chairman of the such meeting or by the Chairman of next meeting shall be receivable as prima facie evidence of the matters in such minutes.   |

### **POWERS OF DIRECTOR**

- |  |      |  |
|--|------|--|
| <b>General Powers of the company vested in the Directors</b> | 100. | 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 do all such and things as may be exercised or done by the Company and are not hereby acts or by law expressly required or directed to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of any law and of these presents and any regulations from time to time made by the Company in General Meeting, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. |
| <b>Power to delegate</b>                                     | 101. | Without prejudice to the general powers conferred by the preceding article the Board may from time to time and at any time subject to the restrictions contained in the Act, delegate to managers, secretaries, officers assistants and other employees or other persons (including any firm or body corporate) any of the powers authorised and discretions for the time being vested in the directors.   |
| <b>Power to sub-delegate</b>                                 | 102. | The Board may authorise any such delegate or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in it.  |

\* Altered vide Special Resolution passed on 23-09-2011



- Signing of documents** 103. All deeds and documents and all cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the company, shall be signed, drawn accepted or endorsed or otherwise executed, as the case may be by such persons (including any firm or body corporate) whether\* in the employment of the Company or not and in such manner as the Board shall from time to time by resolution determine.
- Management abroad** 104. The Board may make such arrangement as may be thought fit for the management of Company's affairs abroad and may for this purpose (without prejudice to the generality\* of their powers) appoint\* local bodies and agents and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in presence of and instruments sealed their in shall be signed by such persons as the Board shall from time to time by writing under the common seal appoint. The Company may also exercise the powers of keeping foreign registers. Such regulations not being inconsistent with the provisions of sec. 157 and 158 of the Act, the board may from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of any local law.
- Act of Director, Manager or Secretary** 105. A manager or secretary may be appointed by the Board on such terms, at such remuneration and upon such conditions as it thinks fit, and any manager or secretary so appointed may be removed by the Board.
106. The provisions of the Act or these regulations requiring or authorising a thing to be done by a Director and manager or secretary shall not be satisfied by its being done by the same person acting both as Director and as, or in place of the manager or secretary.

**MANAGING DIRECTOR**

- Power to appoint Managing Directors** 107. Subject to the provisions of section 197A, 269, 316 and 317 of the Act, the Board may, from time to time appoint one or more Directors to be Managing Director or Managing Directors of the Company and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or other in his place or their places.
- To what provisions\* Managing Director shall be subjected** 108. Subject to the provisions of sec. 255 of the Act, and article 88 (4) hereof, a managing Director shall not while he continues to hold that office, be subject to retirement\* by rotation, but (subject to the provisions of any contract between him and the company) he shall be subject to\* the same provisions as to resignation and removal as the other directors and he shall ipso facto and immediately cease to be a Managing Director if he cease to hold the office of Director from any cause.
- Remuneration of Managing Director** 109. Subject to the provisions of sec. 198, 309, 310 and 311 of the Act, a Managing director shall receive such remuneration as may be, from time to time, sanctioned by the Company.
- Powers of Managing Director** 110. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in sec. 292 thereof, the Board may, from time to time,

\* Altered vide Special Resolution passed on 23-09-2011

entrust to and confer upon a Managing Director for the time being such of the powers exercisable under these presents by the board as it may think fit and may confer such powers for such time, and be exercised for such objects and purposes, and upon such terms and conditions and with such restrictions as it thinks fit and the board may confer such powers either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may from time to time revoke, withdraw alter or vary\* all or any of such powers.

### **COMMENCEMENT OF BUSINESS**

#### **Compliance before commencement of new business**

111. The Company shall not at any time commence any business out of other objects of its memorandum of Association unless the provisions of sub-section 2(b) of sec. 149 of the Act have been duly complied with by it.

### **SEAL**

#### **Custody of seal**

112. The Board shall provide for the safe custody of the seal and the seal shall never be used except by the authority of the Board or a committee of the Directors previously given and one director at least shall sign every instrument to which the seal is affixed. Provided nevertheless that any instrument bearing the seal of the company and issued for valuable considerations shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same, however the shares certificates shall be sealed and signed in accordance with rule (6) of the Companies (Issue for shares Certificates) Rules, 1960.

### **DIVIDEND**

#### **How profits shall be divisible**

113. Subject to right of members entitled to shares (if any) with preferential or special rights attached to them, the profits of the Company from time to time determined to be distributed as dividend in respect of any year or other period shall be applied for payment of dividend on the shares in proportion to the amount of capital paid up on the shares provided that unless the Board otherwise determines all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which dividend is paid. Provided always that subjects as aforesaid any capital paid on a share during the time in respect of which a dividend is declared shall (unless the Board otherwise determines or the terms of the issue otherwise provide, as case may be), only entitle the holder of such shares to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to participate in profits.

#### **Determination of dividends**

114. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the rights and may subject to the provisions of sec. 207 of the Act, fix the time for payment.

#### **Restrictions on amount of dividends**

115. No larger dividend shall be declared than is recommended by the Board but the Company in General Meeting may declare a smaller dividend.

\* Altered vide Special Resolution passed on 23-09-2011



# KOTHARI PRODUCTS LIMITED

- |  |      |   |
|--|------|---|
| <b>Dividend out of profits only</b>      | 116. | No dividend shall be payable except out of the profits of the company of the year or any other undistributed profits and no dividend shall carry interest as against the company  |
| <b>What to be deemed per net profits</b> | 117. | The Declaration of the Board as to be the amount of the net profits of the Company for any year shall be conclusive.  |
| <b>Interim dividends</b>                 | 118. | The Board may from time to time pay to the members such interim dividends as in their judgement the position of the Company justifies.  |
| <b>Debts may be deducted</b>             | 119. | The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists subject to sec. 205 A of the Act.   |
| <b>Dividend and call together</b>        | 120. | Any General Meeting declaring a dividend may make a call on the members of such amounts as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the time as the dividend and the dividend may, if so arranged between the company and the member, be set off against the call.  |
|  | 121. | A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.  |
| <b>Retention in certain cases</b>        | 122. | The Board may retain the dividends payable upon shares in respect of which any person is under the transmission article entitled to become a member or which any persons under that article is entitled to transfer until such persons shall duly become a member in respect thereof or shall transfer the same.  |
| <b>Dividend to Joint Holders</b>         | 123. | Any one of the several persons who are registered as a joint holder of any shares may give effectual receipts of all dividends and payments on account of dividends in respect of such shares.  |
| <b>Payment by Post</b>                   | 124. | Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding or to such person and such address as the member or person entitled, or such joint holders, as the case may be, may direct and every cheque or warrant so sent shall be made payable at par to the person or to the order of such other person, as the members or person entitled or such joint holders, as the case may be, may direct. |
| <b>When payment a good discharge</b>     | 125. | The Payment of every cheque or warrant sent under the provisions of the last preceding Article shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the company in respect thereof, provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.   |
| <b>Unpaid or unclaimed dividend.</b>     | 126. | Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any share holder entitled to the payment of the   |

dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days open a special account in that behalf in any scheduled bank called "Unpaid Dividend of ..... Limited" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

127. Any money transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of 7 years from the date of such transfer shall be transferred by the company to the Investor Education and Protection Fund (hereinafter referred to as the fund) set up by the Central Government under section 205 C of the Act for promotion of investors' awareness and protection of the interests of investors. No claim shall lie against the company in respect of such unpaid or unclaimed dividend amounts transferred to the fund.

### **BOOKS & DOCUMENTS**

#### **Where to be kept**

128. The Books of accounts shall be kept at the registered office or at such other place as the Board thinks fit and shall be open to inspection by the Directors during business hours.

#### **Inspection by Members**

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

### **NOTICES**

#### **How notices served on members**

130. The Company shall comply with the provisions of sec. 53, 172 and 190 of the Act, as to the serving of notices.

#### **Transferee etc. bound by prior notices**

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

#### **Notice valid though member deceased**

132. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company has notice of his demise, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other person by such member until some other person be registered in his stead as the holder or joint holders thereof and such services shall for the purpose of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons if any, jointly interested with him or her in any such share.

#### **How notices to be signed**

133. The signature to any notice to be given by the company may be written or printed.



**RECONSTRUCTION****Reconstruction**

134. On any sale of the undertaking of the Company, the Board or the liquidators on a winding up may, if authorised by a special resolution, accept fully paid or partly paid up shares; debentures or securities or any other company whether incorporated in india or not other than existing or to be formed for the purposes in consideration of the whole or in part of the property of the company and the Directors (if the profits of the Company permit), or the liquidators (in a winding up) may distribute such shares or securities or any other property of the Company, amongst the members, without realisations or vest the same in trustees, for them and any special resolution may provide for the distribution or appropriation of the cash, shares or otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto, and waive all rights, save only in case the company is proposed to be or is in the course of being wound up, such statutory rights, if any, under sec. 494 of the Act as are incapable of being varied or excluded by these present.

**BALANCE SHEET AND PROFIT AND LOSS ACCOUNT****Balance Sheet and Profit & Loss Account**

135. Balance Sheet and Profit and Loss Account will be audited once in a year by a qualified auditor for fairness as per the provisions of the Act.

**INSPECTION OF ACCOUNTS****Inspection of accounts**

136. (i) The Board shall cause proper books of account to be maintained under section 209 of the Act.
- (ii) The Board shall also from time to time determine whether and to what extent and at what time and place and under what conditions or regulations account books of the Company or any of them shall be open to the inspection by members not being Directors.
- (iii) No member (not being a Director) shall have any right of inspection of Books of Accounts or other document of the Company except as conferred by the Act, Board or by the Company in general meeting.

**AUDIT****Audit**

137. The First auditors of the Company shall be appointed by the Board of Directors within one month after its incorporating who shall hold office till the conclusion of first annual general meeting.
138. The Directors may fill up any casual vacancy in the office of the auditors.
139. The remuneration of the auditors shall be fixed by the company in general meeting except that remuneration of the first or any auditors appointed by the Directors may be fixed by the Directors.

**SECRECY****No shareholders  
to enter the premises  
of the company  
without permission**

140. No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors, or subject to Article 129 to require discovery or any information respecting any detail of the Companies trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will not be expedient in the interest of the members of the company to communicate.

140A. That the directors, auditors, officers and employees of the Company shall observed secrecy and shall not reveal any of the matters which come to their knowledge in the discharge of their duties.

**INDEMNITY****Indemnity**

141. Subject to the provisions of sec. 201 of the Act, every director, manager, Secretary and officer or employee of the Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds, Assets of the Company all costs, losses and expenses (including Travelling Expenses) which any such Directors, Manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or by them as such Directors, Manager, Secretary officer or employee in defending any proceeding, whether civil or criminal in which judgement is given in his or their favour or he or they is or are acquitted, or in connection with any application under sec. 633 of the Act, in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members cover all other claims.

**Individual responsibility  
of Directors**

142. Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor, or other officer of the Company shall be liable for acts, receipts, neglects, or defaults of any other Director or officer, or for joining in any receipt or act for conformity, or for any loss or expenses happening to the company through the insufficiency or delivery of title to any property acquired by order of the Director for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgement omission, default, or oversight or his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

**WINDING UP****Winding up**

143. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the



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

144. In the event of the Company being wound up, whether voluntarily or otherwise, the liquidators may with the sanction of special resolution divide among the contributories in specie or in kind any part of the assets of the Company and may with the like sanction vest any part of assets of the Company in Trustees upon such trustee for the benefit of the contributories as any of the liquidators with like sanction, shall think fit.

NAME, ADDRESS, DESCRIPTIONS AND OCCUPATION OF SUBSCRIBERS	SIGNATURE OF SUBSCRIBERS	NAME, ADDRESS, DESCRIPTIONS AND OCCUPATIONS OF WITNESS
<b>M.M. Kothari Mansukhlal</b> S/o Mahadev Bhai Kothari R/o 16/72, Civil Lines, Kanpur (Business)	Sd/- M.M. Kothari	
<b>Vikram Kothari</b> S/o M. M. Kothari R/o 16/72, Civil Lines, Kanpur (Business)	Sd/- Vikram Kothari	Sd/- Ramji Mehrotra Chartered Accountant S/o Late Shri B.P. Mehrotra R/o 16/49, Civil Lines, Kanpur
<b>Arti Kothari</b> Wife of Deepak Kothari R/o 16/72, Civil Lines, Kanpur (Business)	Sd/- Arti Kothari	

Dated the : 7th day of September, 1983



IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD  
ORIGINAL JURISDICTION  
COMPANY PETITION NO. 33 OF 2003  
CONNECTED WITH  
COMPANY APPLICATION NO. 12 OF 2003  
IN THE MATTER OF THE COMPANIES ACT, OF 1956  
AND  
IN THE MATTER OF SECTION 391 TO 394 OF THE COMPANIES ACT, 1956  
AND  
IN THE MATTER OF SCHEME OF AMALGAMATION OF  
KOTHARI POUCHES LIMITED  
(FIRST TRANSFEROR COMPANY)  
AND  
KOTHARI BEVERAGES PRIVATE LIMITED  
(SECOND TRANSFEROR COMPANY)  
WITH  
KOTHARI PRODUCTS LIMITED  
(TRANSFeree/PETITIONER COMPANY)  
KOTHARI PRODUCTS LIMITED  
A COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956,  
HAVING ITS REGISTERED OFFICE AT "PAN PARAG HOUSE"  
24/19, THE MALL, KANPUR - 208 001, UTTAR PRADESH

..... PETITIONER



# KOTHARI PRODUCTS LIMITED

BEFORE THE HON'BLE MR. JUSTICE S.U. KHAN

Dated 16th Oct. 2003

## ORDER UNDER SECTION 394

The above petition coming on for hearing on 25th Aug., 2003, upon reading the said petition, the order dated 4th March, 2003 whereby the above-named Transferee/petitioner company was ordered to convene meeting of its equity shareholders for the purpose of considering, and if thought fit, approving, with or without modification, the proposed scheme of amalgamation of the Kothari Pouches Limited (First Transferor Company) and the Kothari Beverages Private Limited (Second Transferor Company) with the Kothari Products Limited, Transferee/petitioner company and annexed to the affidavit of Sri Raj Kumar Gupta filed the 28th day of February, 2003, in company application No. 12 of 2003 the Times of India (English Daily published from Lucknow) dated 24-3-2003 and the Dainik Jagran (Hindi Daily published from Kanpur) dated 24-3-2003 each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated 4th March, 2003 the affidavit of Shri S.K. Garg, Chairman appointed for the meeting, dated 7-4-2003 (filed on 7-4-2003) Showing the publication and dispatch of the notices convening the said meeting, the report dated 28-4-2003 (filed on 1-5-2003) of the chairman of the said meeting as to the result of the said meeting, and upon hearing Shri R.P. Agarwal, Advocate for the Transferee/Petitioner Company, and it appearing from the report of the Chairman that the proposed Scheme of Amalgamation has been approved by the equity shareholders of the Transferee/Petitioner Company with requisite majority without any modification and voting in person or by proxy at the said meeting, after considering the objections raised by Shri U.C. Nahta, Regional Director, Department of company affairs, Ministry of Finance & Company Affairs, and the unsigned complaints made by four shareholders to the Regional Director as referred to in his affidavit dated 15-7-2003 (filed on 18-7-2003), and it appearing that no one has come before this court objecting to the proposed Scheme. This Court doth hereby ordered consequently this petition is allowed and the Scheme of Amalgamation which is annexure I to this petition is hereby approved and sanctioned subject to the orders passed in that regard by Delhi and Gujrat High Courts in similar petitions filed by Transferor companies No I and 2. It is further ordered that the certified copy of this order shall be filed before the Registrar of Companies within 30 days of its receipt

and this court doth further order :-

- (1) That all the property, rights and powers of the above named two Transferor companies specified in the first, second and third parts of the Schedule hereto and all other property, rights and powers of the above - named two Transferor Companies be transferred without further act or deed to the Transferee/Petitioner Company and accordingly the same shall pursuant to the provisions of the Companies Act, 1956, be transferred to and vest in the transferee/Petitioner Company and all the estate and interest of the two Transferor companies their in but subject to the charges now affecting the same; and,
- (2) That all the liabilities and duties of the above-named two Transferor companies be transferred without further act or deed to the Transferee/Petitioner company and accordingly the same shall,



pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Transferee/Petitioner Company ; and

- (3) That all proceedings now pending by or against the above-named two Transferor Companies be continued by or against the Transferee/Petitioner Company ; and
- (4) That the Transferee/petitioner Company do without further application allot to such members of the above-named two Transferor Companies the shares in the Transferee/Petitioner Company to which they are entitled under the said scheme of Amalgamation ; and
- (5) That the Transferee/Petitioner Company shall within 30 days after the date of this order cause a certified copy of this order to be delivered to the Registrar of Companies, for registration and the Registrar of Companies shall place all documents relating to the Transferee Company and registered with him, on the file kept by him in relation to the Transferee/Petitioner Company and the files relating to the said Transferee co. shall be consolidated accordingly ; and
- (6) That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

**ANNEXURE**

Sanctioned Scheme of Amalgamation

**SCHEDULE  
(PART-I)**

Description of the free-hold properties of the Transferor Companies-Annexed

**SCHEDULE  
(PART-II)**

Description of lease hold properties of the Transferor Companies Annexed

**SCHEDULE  
(PART - III)**

Short description of all stocks, shares, debentures and other shares in the Transferor Companies Annexed



# KOTHARI PRODUCTS LIMITED

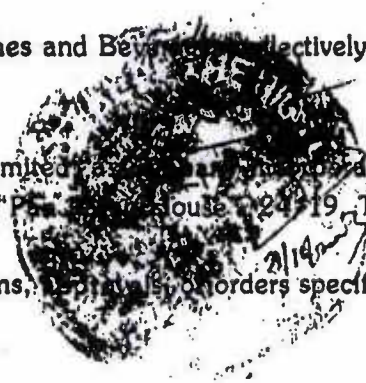
## SCHEME OF AMALGAMATION OF KOTHARI POUCHES LIMITED AND KOTHARI BEVERAGES PRIVATE LIMITED WITH KOTHARI PRODUCTS LIMITED

This Scheme of Amalgamation is presented under Section 391 of the Companies Act, 1956 (the "Act") for the merger of Kothari Pouches Limited and Kothari Beverages Private Limited with Kothari Products Limited.

### Definitions

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

- 1.1 "Act" means the Companies Act, 1956 or any statutory modification or reenactment thereof for the time being in force.
- 1.2 "Appointed Date" means the 1st day of April, 2002 or such other date as may be approved by the High Court of Delhi, High Court of Gujarat and the High Court of Allahabad.
- 1.3 "Board" means the Board of Directors of Kothari pouches Limited, Kothari Beverages Private Limited and Kothari Products Limited.
- 1.4 "Pouches" or "the First Transferor Company" means Kothari Pouches Limited, a Company incorporated under the Companies Act, 1956 having its Registered office at B-469, New friends Colony, New Delhi-110 065.
- 1.5 "Beverages" or "the Second Transferor Company" means Kothari Beverages Private Limited, a Company incorporated under the Companies Act, 1956 having its Registered office at 305, Paradise Complex, Sayajigunj, Baroda-390 005, Gujarat.
- 1.6 "Transferor Companies" or "Transferor Company" means Pouches and Beverages collectively or individually, as the case may be as defined above.
- 1.7 "KPL" or "the Transferee Company" means Kothari Products Limited, a Company incorporated under the Companies Act, 1956 having its Registered Office at "Panchsheel House - 24-19, The Mall, Kanpur - 208 001, Uttar Pradesh
- 1.8 "Effective Date" means the last of the dates on which the sanctions, approvals and orders specified in Clause 15 are obtained.





- 1.9 "The Record Date" means a day following the effective date as fixed by the board of directors of the Transferee company or a committee thereof for the purpose of determining the members of the Transferor Companies to whom shares will be allotted pursuant to this Scheme.
- 1.10 "Scheme" or "the Scheme" or "this Scheme" or the scheme of Amalgamation in its present form or with any modification(s) made under clause 12 approved or imposed or directed by the High Court of Delhi, High Court of Gujarat and the High Court of Allahabad.
- 1.11 "Undertaking" shall mean
- (a) all the assets and properties and the entire business of the Transferor Companies as on the Appointed Date (hereinafter referred to as "the said assets").
  - (b) all the debts, liabilities, contingent liabilities, duties, obligations and guarantees of the Transferor Companies as on the Appointed Date (hereinafter referred to as "the said liabilities").
  - (c) without prejudice to the generality of sub-clause (a) above, the undertaking of the Transferor Companies shall include all the Transferor Companies reserves, movable and immovable properties, assets including investments, lease hold rights, hire purchase contracts, lending contracts, revisions, powers, authorities, allotments, approvals and consents, registrations, contracts, engagements, arrangements, titles, interest, benefits, tenancy rights, authorizations, quota rights, trademarks, patents, various exemptions incentives granted under different scheme of State/Central Governments including carried forward losses under Income Tax Act and other intellectual properties, telephones, Telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals and all books of accounts, documents and records relating thereto.

## 2. SHARE CAPITAL

- 2.1 The Share Capital of the First Transferor Company, as on 31st March 2002 was as under

### SHARE CAPITAL

Authorized :

22,500 Equity Shares of Rs. 100/- each

2,500 16% Cumulative Redeemable Preference Shares of Rs. 100/- each

TOTAL

Rupees

22,50,000

2,50,000

25,00,000

# KOTHARI PRODUCTS LIMITED

Issued, Subscribed and Paid up:

10,000 Equity Shares of Rs. 100/- each fully paid up 10,00,000

Subsequent to 31st March, 2002 vide Special Resolution passed in the Extra Ordinary General Meeting held on 9th January, 2003 the Authorised Share Capital and Issued, Subscribed and paid up Share Capital of the First Transferor Company has been subdivided into Equity Shares having nominal value and Paid up value of Re 1/- (Rupee One) each fully paid up and the Issued Subscribed and Paid up Share Capital of the First Transferor Company has also been increased by issue of 10,00,000 (Ten Lacs) Equity Shares of Re 1/- (Rupee One) each fully paid up as Bonus Shares by capitalisation of General Reserve and accordingly the Share Capital of the First Transferor Company as on date stands altered as under :

Authorised :	Rupees
22,50,000 Equity Shares of Re. 1/- each	22,50,000
2500, 16% Cumulative Redeemable Preference Shares of Rs. 100/- each	2,50,000
Total	25,00,000

Issued, Subscribed and Paid up :

20,00,000 Equity Shares of Re. 1/- each fully paidup 20,00,000

2.2 The Share Capital of the Second Transferor Company, as on 31st March 2002, was as under :

SHARE CAPITAL RUPEES

Authorised :

1,20,00,000 Equity Shares of Rs. 10/- each 12,00,00,000

Issued, Subscribed and Paid up:

1,05,26,076 Equity Shares of Rs. 10/- each fully paid up 10,52,60,760

2.3 The Share Capital of the Third Transferor Company as on 31st March 2002, was as under :

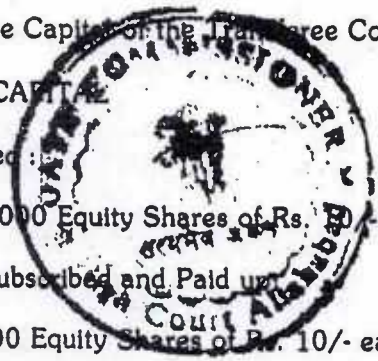
SHARE CAPITAL

Authorised :

1,10,00,000 Equity Shares of Rs. 10/- each

Issued, Subscribed and Paid up

50,00,000 Equity Shares of Rs. 10/- each fully paid up





**3. TRANSFER OF UNDERTAKINGS**

The Undertakings shall be transferred to and vested in or be deemed to be transferred to and vested in the Transferee Company pursuant to the provisions of Section 394 and other applicable provisions of the said Act in the following manner :

- (a) With effect from the Appointed Date, the whole of the Undertaking of the Transferor Companies, comprising all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 391 read with Section 394 and all other applicable provisions, if any, of the Act, without any further act or deed (save as provided in clauses (b) and (c) below), be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become as from the Appointed Date the assets and liabilities of the Transferee Company and to vest in the Transferee Company all the rights, title, interest or obligations of the Transferor Companies therein.
- (b) All the movable assets including cash in hand, if any, of the Transferor Companies capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to the Transferee Company. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of the Transferor Companies and the Board of Directors of the Transferee Company within thirty days from the Effective Date.
- (c) In respect of movables 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, customers and other persons, the following modus operandi for intimating to third parties shall to the extent possible be followed :
  - (i) The Transferee Company shall give notice in such form as it may deem fit and proper, to each person, debtor or depositor as the case may be, that pursuant to the High Court of Delhi, the High Court of Gujarat and the High Court of Allahabad, having sanctioned the Scheme between the Transferor Companies and the Transferee Company and their respective members and creditors under Section 391 read with Section 394 of the Act, the said debt, loan, advance or deposit be sold or made good or held on account of the Transferee Company as the person entitled thereto to the end and intent that the right of the Transferor Companies to recover or receive the same stands extinguished and that appropriate entries shall be passed in its books to record the aforesaid change.
  - (ii) The Transferor Companies shall also give notice in such form as they may deem fit and proper to each person, debtor or depositor, that pursuant to the High Court of Delhi, the High Court of Gujarat and the High Court of Allahabad having sanctioned the Scheme between the Transferor Companies and the Transferee Company, and their respective members under

Section 391 read with Section 394 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of the Transferee Company and that the right of the transferor Companies to recover or realise the same stands extinguished.

- (d) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of the Transferor Companies shall also, under the provisions of Section 391 read with Section 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company and it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Sub-clause.
- (e) Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of Section 293 (1) (d) of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of the Transferor Companies which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.
- (f) Loans or other obligations, if any, due between or amongst the Transferor Companies and the Transferee Company shall stand discharged and there shall be no liability in that behalf. The Transferor Companies shall have taken all steps as may be necessary to ensure that vacant, lawful, peaceful and unencumbered possession, right, title, interest of their immovable property is given to the Transferee Company.
- (g) The immovable and movable assets of the Transferor Companies would be available to the Transferee Company from the Effective Date.

#### 4. OPERATIVE DATE OF THE SCHEME

The Scheme, although operative from the Appointed Date, shall become effective from the Effective Date.

#### 5. CONDUCT OF BUSINESS BY TRANSFEROR COMPANIES TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date, the Transferor Companies:

- (a) Shall carry on and be deemed to carry on all their businesses and activities and stand possessed



of their properties and assets for and on account of and in trust for the Transferee Company and all the profits or incomes accruing or arising to the Transferor Companies or expenditure or losses arising or incurred by them shall, for all purpose, be treated as and be deemed to be the profits or income or expenditure or losses, as the case may be, of the Transferee Company,

- (b) Hereby undertake to carry on their businesses and activities with reasonable diligence and business prudence and shall not except in the ordinary course of thier business, undertake any financial commitments, borrow any amounts nor incur any other liabilities, issue any additional guarantees to its subsidiaries or group Company or any third party or, save as expressly permitted by this Scheme, alienate, charge, mortgage or encumber or otherwise deal with the undertakings or any part thereof, without the prior written consent of the Transferee Company,
- (c) Shall not vary the terms and conditions of the employment of its employees except in the ordinary course of business; and
- (d) Shall not, without the written consent of the Transferee Company, undertake any new business.

## **6. ACCOUNTING TREATMENT**

- 6.1 The Transferee Company shall record all assets and liabilities vested in the Transferee Company pursuant to the Scheme at their book values.
- 6.2 The excess/deficit, if any, of the value of the assets over the value of the liabilities of the Transferor Companies vested in the Transferee Company pursuant to this Scheme as recorded in the books of account of the Transferee Company shall, after adjusting the shares issued in the Transferee Company, be credited / debited to the General Reserve in the books of the Transferee Company.
- 6.3 Subject to the provisions of this scheme, the losses of the Transferor Companies, if any, including the accumulated losses and unabsorbed depreciation shall be deemed to be the loss or as the case may be allowance for depreciation of the Transferee Company and the provisions of the Income Tax Act relating to set off and carry forward of loss and allowance for depreciation shall apply accordingly to the Transferee Company.
- 6.4 In case of any differences in accounting policy between Transferor Companies and Transferee Company, the impact of the same in the amalgamation will be qualified by the General Reserve balance of the Transferee Company to ensure that the financial position of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

**7. ISSUE OF SHARES BY THE TRANSFeree COMPANY**

- 7.1** Upon the Scheme becoming finally effective, in consideration of the transfer and vesting of the Undertakings of the Transferor Companies in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act or deed, issue and allot at par Equity Shares of the face value of Rs. 10/- each (hereinafter called the "New Equity Shares") credited as fully paid up in the capital of the Transferee Company to every Equity Shareholder of the First Transferor Company and the Second Transferor Company whose name appears in the Register of Members on a date ("Record Date") to be fixed by the Board of Directors of the Transferee Company in the following proportion.

In respect of every 43 (Forty Three) Equity Shares of the face value of Re. 1/- each fully paid-up held by him/her in the First Transferor Company, 20 (Twenty) New Equity Shares of Rs. 10/- each Fully paid up.

In respect of every 15 (Fifteen) Equity Shares of the face value of Rs. 10/- each fully paid-up held by him/her in the Second Transferor Company, 1 (One) New Equity Shares of Rs. 10/- each fully paid up.

- 7.2** The new Equity Shares when issued and allotted by the Transferee Company in terms of the Scheme shall rank for dividend, voting right and in all other respects pari passu with the existing Equity Shares of the Transferee Company.
- 7.3** No fractional Certificates/coupons shall be issued by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Companies may be entitled on issue and allotment of the New Equity Shares of the Transferee Company as aforesaid. The Board of Directors of the Transferee Company shall instead consolidate all such fractional entitlements to which the Equity Shareholders of the Transferor Companies may be entitled on issue and allotment of the New Equity Shares of the Transferee Company as aforesaid and there upon issue and allot New Equity Shares in lieu thereof to a Director or an Officer respectively of the Transferee Company with the express understanding that such Director or Officer to whom such New Equity Shares are issued and allotted shall hold the same in trust for those entitled to the fractions and sell the same in the market at the best available price and pay to the Transferee Company the net sale proceeds thereof, whereupon the Transferee Company shall, subject to the approval of the Reserve Bank of India, wherever required and subject to withholding tax, if any, distribute such net sale proceeds to the Equity Shareholders of the Transferor Companies in proportion to their fractional entitlements.
- 7.4** Upon this Scheme becoming finally effective and upon the New Equity Shares of the Transferee Company being issued and allotted by it to the Equity Shareholders of the Transferor Companies whose names appear on the Register of Members of the aforesaid Transferor Companies on the Record Date fixed, the Equity Shares of the Transferor Companies, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date. The Equity Shareholders of the Transferor Companies shall not surrender to the Transferee Company for cancellation, the relevant share



certificates held by them in the Transferor Companies. The Equity Shareholders of the Transferor Companies shall have the options exercisable by notice in writing to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company to receive either in certificate form or in dematerialised form, the New Equity Shares of the Transferee Company in lieu thereof in terms of the Scheme. If such notice is not received by the Transferee Company from any Shareholders of the Transferor Companies as aforesaid, the New Equity Shares of the Transferee Company shall be issued to such Equity Shareholders in certificate form. Those Equity Shareholders of the Transferor Companies who exercise. The option to receive the New Equity Shares of the Transferee Company in dematerialised form shall provide details of their account with Depository Participants and such other confirmations as may be required to enable the Transferee Company to issue and directly credit their dematerialised securities account.

- 7.5 The New Equity Shares of the Transferee Company issued in terms of this Scheme shall be listed on the stock exchanges where the Transferee Company existing Equity shares are presently listed.
- 7.6 For the purpose aforesaid, the Transferee Company shall, if and to the extent required, apply for and obtain the consent of the Reserve Bank of India and other concerned authorities, to the issue and allotment of Equity Shares to the non-resident shareholders of the aforesaid Transferor Companies in the aforesaid manner.
- 7.7 The Transferee Company shall cause a special resolution to be passed pursuant to Section 81(1 A) of the Act for the offer and allotment of New Equity Shares to the members of the Transferor Companies in accordance with and subject to the provisions of the Scheme.
- 7.8 The New Equity Shares to be issued by the Transferee Company pursuant to the clause 7.1 in respect of any Equity Shares of the Transferor Companies which are held in abeyance under the provisions of Section 206A of the Companies Act, 1956 or otherwise shall pending allotment or settlement of dispute by order of the court or otherwise, also be held in abeyance by the Transferee Company.

## **8. EMPLOYEES OF THE TRANSFEROR COMPANIES**

- 8.1 All employees of the Transferor Companies, who are in service on the date immediately preceding the Effective Date shall be the employees of the Transferee Company on the Effective Date.
- 8.2 On the Scheme finally having effect as hereinafter provided:
- (a) The employees of the Transferor Companies shall become the employees of the Transferee Company without any break or interruption in service and on terms and conditions not less favourable than those in which they are engaged by the Transferor Companies as on the Effective Date. Services of all employees with the Transferor Companies upto the Effective Date shall be taken into account for purposes of all retirement benefits for which they may

be eligible. The Transferee Company further agrees that for the purpose of payment of any severance compensation, such past services with the Transferor Companies shall also be taken into account ;

- (b) The services of such employees shall not be treated as having been broken or interrupted for the purpose of Provident Fund or Gratuity or Superannuation or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Companies.
- (c) It is provided that as far as the Provident Fund, Gratuity Fund and Pension and / or Superannuation Fund or any other special fund created or existing for the benefit of the staff, workmen and other employees of the Transferor Companies are concerned upon the Scheme becoming finally effective, the Transferee Company shall stand substituted for the Transferor Companies in respect of the employees transferred with the Undertakings of the Transferor Companies for all purposes whatsoever relating to the administration or operation of such Funds or Trusts or in relation to the obligation to make contribution to the said Funds or Trusts in accordance with the provisions of such Funds or Trusts as provided in the respective Trust Deeds or other documents. It is the aim and the intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Companies in relation to such Funds or Trusts shall become those of the Transferee Company.

## 9. LEGAL PROCEEDINGS

If any suit, writ petition, appeal revision or other proceedings of whatever nature hereinafter called "the Proceedings", by or against the Transferor Companies be pending the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer of the Undertakings of the Transferor Companies or of anything contained in the Scheme but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Companies as if the Scheme had not been made.

## 10. CONTRACTS, DEEDS, BONDS & OTHER INSTRUMENTS

Subject to other provisions of this Scheme all contracts, deeds, bonds, debentures, insurance policies and other instruments of whatever nature to which the Transferor Companies are parties, or to the benefit of which the Transferor Companies may be eligible, and which are in force immediately before the Effective Date, shall remain in full force and effect as if the Transferee Company, as the case may be, and may be enforced as fully and as effectually as if the Transferor Companies, the Transferee Company had been a party thereto.



**11. APPLICATIONS TO HIGH COURTS**

- 11.1 The Transferor Companies and the Transferee Company shall, with all reasonable dispatch, make applications to the High Court of Delhi, High Court of Gujarat and the High Court of Allahabad, as the case may be, respectively, under Sections 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members of each of the Transferor Companies and the Transferee Company as may be directed by the respective High Courts.
- 11.2 On the Scheme being agreed to by the requisite majorities of the classes of the members of the Transferor Companies and the Transferee Company as directed by the High Court of Delhi, High Court of Gujarat and the High Court of Allahabad respectively, the Transferor Companies and the Transferee Company shall, with all reasonable dispatch, apply to the High Court of Delhi, High Court of Gujarat and the High Court of Allahabad respectively, for sanctioning the Scheme of Amalgamation under section 391 and 394 of the Act, and for such other order or orders, as the said High Courts may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Companies without winding-up.

**12. MODIFICATIONS/AMENDMENTS TO THE SCHEME**

- 12.1 The Transferor Companies (by their Board of Directors) and the Transferee Company (by its Board of Directors) may, in their full and absolute discretion, assent to any alteration or modification or amendment of this Scheme which the Courts and / or any other Competent Authority may deem fit to direct or impose and may give such directions as they may consider necessary to settle any question or difficulty arising under the Scheme or in regard to its implementation or in any matter connected therewith.
- 12.2 The Board of Directors of the Transferor Companies hereby authorise the Board of Directors of the Transferee Company or any Committee thereof to give assent to any modifications or amendment(s) in the Scheme which may be considered necessary or desirable for any reason whatsoever and without prejudice to the generality of the foregoing any modification to the Scheme involving withdrawal of any of the parties to the Scheme at any time and for any reason whatsoever, the implementation of the Scheme shall not get adversely affected as a result of acceptance of any such modification by the Board of the Transferee Company and the Board of the Transferor Company be and is hereby authorized by the Board of Directors of the Transferor Company to take such steps and to do all acts, deeds and things as may be necessary, desirable or expedient to carry out this Scheme and to resolve any doubt, difficulties or questions arising in connection with or under or by virtue of this Scheme and for any matters concerning or connected therewith. For the removal of doubt, it is hereby clarified that withdrawal by any one of the Transferor Companies from the Scheme shall not prejudicially affect the implementation of the Scheme between the remaining party in such circumstances, the Scheme shall remain in its force and effect and be implemented by and between the remaining Transferor Company and the Transferee Company as

if the party withdrawing from the Scheme was never a party to the Scheme in that behalf.

## 13. DISSOLUTION OF THE TRANSFEROR COMPANIES

On the Scheme becoming effective, the Transferor Companies shall stand dissolved without being wound up.

## 14. DIVIDEND, PROFIT, BONUS / RIGHT SHARES

14.1 The Transferor Companies shall not declare and pay dividends, whether interim or final, to their respective Equity Shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date.

14.2 Subject to the provisions of this Scheme, the profits of the Transferor Companies for the period beginning from 1st April, 2002 shall belong to and be the profits of the Transferee Company and will be available to the Transferee Company for being disposed of in any manner as it thinks fit.

14.3 The Transferor Companies shall not, except with the consent of the Board of Directors of the Transferee Company, issue or allot after the approval of the Scheme by the Board of Directors of the Transferee Company any Right Shares or Bonus Shares.

## 15. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS

The Scheme is conditional on and subject to :

15.1 The approval to the Scheme by the requisite majorities of the members of the Transferor Companies and the Transferee Company, as may be required by the Hon'able High Courts of Delhi, Gujarat and Allahabad.

15.2 The Sanction of the High Court of Delhi, High Court of Gujarat and the High Court of Allahabad under Sections 392 and 394 of the Act, in favour of the Transferor Companies and the Transferee Company and to the necessary Orders under Section 394 of the Act, being of the nature as may be required.

15.3 Any other sanction or approval of any concerned Authority, as may be required, and appropriate to the respective Board of Directors of the Transferor Companies and the Transferee Company, being obtained and granted in respect of any of the matters in which such sanction or approval is required.

15.4 Certified copies of the Order of the High Court of Delhi, High Court of Gujarat and High Court of Allahabad sanctioning the Scheme being filed with the Registrar of Companies, Delhi, the Registrar



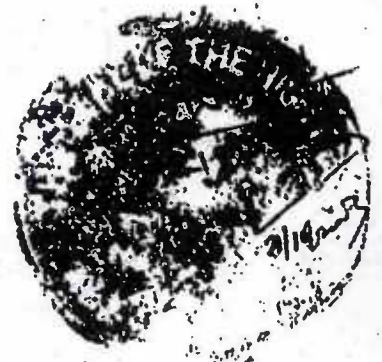
of Companies, Ahmedabad and the Registrar of Companies, Kanpur.

**16. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS**

- 16.1 In the event of any of the said sanctions and approvals not being obtained and/or the Scheme not being sanctioned by the High Court of Delhi, High Court of Gujarat and High Court of Allahabad on or before 30th September, 2003 or within such further period or periods as may be agreed upon between the Transferor Companies and the Transferee Company through their respective Board of Directors, the Scheme shall become null and void (and in that event no rights or liabilities whatsoever shall accrue to or be incurred inter se between the Transferee Company and the Transferor Companies) each party shall bear and pay its respective costs, charges and expenses for and / or in connection with the Scheme.

**17. EXPENSES CONNECTED WITH THE SCHEME**

All costs, charges and expenses in relation to or in connection with this scheme and of carrying out and completing the terms and provisions of this scheme and / or incidental to the completion of amalgamation of the said undertaking of the Transferor Companies in pursuance of the Scheme shall be borne and paid by the Transferee Company only. Similarly the Transferee Company shall alone bear any duties or taxes leviable including stamp duty in pursuance to or as a consequence of the Scheme.



**SCHEDULE OF PROPERTIES**  
**SHORT DESCRIPTION OF IMMOVABLE AND MOVABLE**  
**PROPERTIES OF TRANSFEROR COMPANIES TO BE TRANSFERRED**

**PART-I**

**Short Description of free hold properties of :-**

1. **Kothari Pouches Ltd., the First Transferor Company :**  
Flat No. 47-C situated at Sector 15-A, Noida -201301 Uttar Pradesh admeasuring about 171.87 Sq. Mtrs.
2. **Kothari Beverages Pvt. Ltd., the Second Transferor Company :-**
  - (i) Office premises on 9th floor in Building known as Pariseema Complex situated at C.G. Road, above Body Line showroom, Navrangpura, Ahmedabad, Gujarat, admeasuring about 167.22 Sq. Mtrs.
  - (ii) Office premises on 10th floor in building known as Pariseema Complex situated at C.G. Road, above Body Line showroom, Navrangpura, Ahmedabad, Gujarat admeasuring about 167.22 Sq. Mtrs.
  - (iii) All that piece or parcel of land admeasuring about 23950 sq.mtrs. situated at Kalamgao, Mumbai Nasik Highway, Taluka Shahpur, Dist. Thane, Mumbai State Maharashtra together with buildings & structures thereon having total area of about 7488 Sq. mtrs. and all Plants & Machinery and equipments installed thereon.





**PART - II**

Short Description of leasehold properties of :-

1. **Kothari Pouches Ltd., the First Transferor Company :**

- (i) All the leasehold rights of land together with all buildings and structures thereon situated at A-111, Sector 4, Noida - 201 301 (U.P), admeasuring about 3566 Sq.mtrs. and all Plants & Machinery and equipments installed thereon.
- (ii) All the leasehold rights of land together with all buildings and structures thereon situated at A-97, Sector-4, Noida-201 301 (U.P), admeasuring about 878 Sq. Mtrs. and all Plants and Machinery & equipments installed thereon.

2. **Kothari Beverages Pvt. Ltd., the Second Transferor Company :-**

- (i) All the leasehold rights of land situated at Plot No. 68, Block, Udyog Nagar, Kanpur (U.P), admeasuring about 1000 Sq. Mtrs. together with all factory buildings, structures thereon having total area of about 739 Sq. Mtrs. and all plants & Machinery and equipments installed thereon.
- (ii) All the leasehold rights of land situated at Mahi Canal, Civil Hospital Road, Nadiad - 387 001 Dist Kheda (Gujarat), admeasuring about 7284 Sq. Mtrs. together with all factory buildings, structures thereon having total area of about 1584 Sq. mtrs. and all Plants & Machinery and equipments installed thereon.



**PART - III**

Short Description of all shares, debentures & other chose in action and all movable properties, stocks, investments, including those listed below, Bank accounts with various Banks, Deposits and Security deposits with various Government and Non Government Authorities including Electricity Boards, Telephones, Excise, Sales Tax etc., Debts and other recoverables, entitlements to various subsidies and other hire purchase agreements, Plants & Machineries, Vehicles, Office equipments, Furnitures and Fixtures and all other Assets of :-

**1. Kothari Pouches Ltd., the First Transferor Company :****SHARE HELD :**

- (i) 750 shares of Rs. 10/- each fully paid-up in Flex Industries Ltd.
- (ii) 100 shares of Rs. 10/- each fully paid-up in Flex Foods Ltd.
- (iii) 2666 shares of Rs. 10/- each fully paid-up in Global Telesystems Ltd.
- (iv) 10000 shares of Rs. 2/- each fully paid-up in Satyam Computers Ltd.
- (v) 10000 shares of Rs. 5/- each fully paid-up in Zee Telefilms Ltd.
- (vi) 358628.604 units of LICMF Bond Fund of Rs. 10/- each fully paid-up.
- (vii) 408329.931 units of HDFC-Income Fund of Rs. 10/- each fully paid-up.
- (viii) 1022494.887 units of SBI-Magnum Income Fund of Rs. 10/- fully paid-up.

**2. Kothari Beverages Pvt. Ltd., the Second Transferor Company :-**

Investments in National Saving Certificates of Rs. 1600.

DATED THIS 21ST DAY OF OCT. 2003

(BY THE COURT)

*[Handwritten signature]*  
21.10.03

**True Copy**  
*[Handwritten signature]*  
21.10.03  
Section Officer  
Copy ing (1) Department  
High Court, Allahabad.

*[Handwritten signature]*  
REGISTRAR GENERAL  
*[Handwritten signature]*  
21.10.03  
**THE COURT**



IN THE HIGH COURT OF JUDICATURE AT ALLAHABAD

COMPANY PETITION No. 13 OF 2008

AND

COMPANY APPLICATION No. 1 OF 2008

**KOTHARI PRODUCTS LIMITED**

Pan Parag House

24/19, The Mall, Kanpur - 208001

(Demerged Company)

.....

PETITIONER

CONNECTED WITH

COMPANY PETITION No. 7 OF 2008

AND

COMPANY APPLICATION No. 2 OF 2008

**PAN PARAG INDIA LIMITED**

Pan Parag House

24/19, The Mall, Kanpur - 208001

(Resulting Company)

.....

PETITIONER

DISTRICT : KANPUR NAGAR

In the matter of Companies Act, 1956

And in the matter of Scheme of Arrangement

BETWEEN

**KOTHARI PRODUCTS LIMITED** .....

DEMERGED COMPANY

AND

**PAN PARAG INDIA LIMITED** .....

RESULTING COMPANY



**BEFORE THE HON'BLE MR. JUSTICE SUNIL AMBWANI**

Dated 16<sup>th</sup> Sept., 2008

**ORDER ON PETITION UNDER SECTION 394**

The above Company Petitions coming on for hearing on 16<sup>th</sup> September, 2008, upon reading the said petition, the order dated 21-01-2008 passed in Company Applications No. 1 of 2008 whereby Kothari Products Limited was ordered to convene separate meetings of the shareholders and the creditors of the company for the purpose of considering, and if thought fit, approving with or without modification, the Arrangement proposed to be made between the said company and Pan Parag India Limited and annexed to the affidavit of Sri Raj Kumar Gupta filed on 15-01-2008 and the order dated 21-01-2008 passed in Company Application No. 2 of 2008 whereby meetings of shareholders and creditors of Pan Parag India Limited were dispensed with, Times of India (English), Kanpur and Dainik Jagaran (Hindi), Kanpur, both dated 15-02-2008 each containing the advertisements of the said notices convening the said meetings of shareholders and creditors of Kothari Products Limited directed to be held by the said order dated 21-01-2008, the affidavit dated 03-03-2008 (filed on 03-03-2008) of Sri Rohit Agarwal, Advocate, Chairman appointed for the meeting of the shareholders, and affidavit dated 03-03-2008 (filed on 03-03-2008) of Sri Vivek Prasad Mathur Advocate, chairman appointed for the meeting of the creditors of Kothari Products Limited, showing the publication and despatch of notices convening the said meetings, reports of the above-named Chairmen of the said meetings both dated 19-03-2008 as to the results of the said meetings and it appearing from the reports of the chairmen that the proposed Scheme of Arrangement has been approved unanimously by the shareholders as well as by the creditors and upon perusal of the affidavit dated 02-05-2008 of Sri Dhan Raj, Regional Director, Northern Region, Ministry of Corporate Affairs, Noida, and letter dated 11-03-2008 received from Sri Kishorechandra Vadilal Parikh, a shareholder holding 767 shares, the affidavit dated 08-05-2008 sworn by Sri Raj Kumar Gupta, Company Secretary of Kothari Products Limited clarifying the objections raised by the Regional Director and the above-named shareholder and affidavit dated 15-09-2008 sworn by Sri Raj Kumar Gupta, Company Secretary of Kothari Products Limited annexing a statement giving details of assets and liabilities proposed to be transferred to Pan Parag India Limited under the Scheme of Arrangement, and there being no other objections, the objections of Shri Kishorechandra Vadilal Parikh do not affect the validity and effectiveness of the scheme which has been approved by overwhelming majority (90.30%) of shareholders, the objections of the Regional Director have been removed as the list of assets and liabilities have been placed on record and since there is no proposal for amalgamation of companies and as such Accounting Standard - 14 i.e. Accounting for Amalgamation issued by the Institute of Chartered Accountants of India is not required to be followed, and upon hearing Sri P. Agarwal, Advocate for the petitioner companies,

The Court doth hereby sanction the Scheme of Arrangement proposed by the Company Petition No. 07 of 2008 as well as with Company Petition No. 13 of 2008 and set forth in Schedule hereto,

The Court doth hereby order that the statement of assets and liabilities filed with the affidavit dated 15-09-2008 of Sri Raj Kumar Gupta, as above, shall form part of the sanctioned Scheme of Arrangement,

This Court doth hereby orders -



- (1) That all the property, rights and powers pertaining to Pan Masala Division, Beverages Division and Trading Division of the above-named Demerged Company [i.e. Kothari Products Limited] specified in the statement annexed to the Scheme and in the first, second and third parts of the Schedule hereto and all other property, rights and powers of the above-named Divisions of the Demerged Company be transferred without any further act or deed to the Resulting Company [i.e. Pan Parag India Limited] and accordingly the same shall pursuant to section 394(2) of the Companies Act, 1956, be transferred to and vest in the Resulting Company for all the estate and interest of the Demerged Company therein but subject nevertheless to all charges now affecting the same; and
- (2) That all the liabilities and duties pertaining to Pan Masala Division, Beverages Division and Trading Division of the above-named Demerged Company be transferred without further act or deed to the Resulting Company and accordingly the same shall, pursuant to section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Resulting Company; and
- (3) That all proceedings now pending by or against the above-named Demerged Company pertaining to Pan Masala Division, Beverages Division and Trading Division be continued by or against the Resulting Company; and
- (4) That the Resulting Company do without further application allot to the members of the above-named Demerged Company the shares in the Resulting Company to which they are entitled under the said Scheme of Arrangement; and
- (5) That the above-named petitioner companies do within 30 days after the date of supply of the certified copy of this order cause the certified copy of the order to be delivered to the Registrar of Companies, U.P., Kanpur, for registration; and
- (6) That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

**ANNEXURE**

Sanctioned Scheme of Arrangement along with list of assets and  
transferred to the Resulting Company.

**SCHEDULE**

[PART - I]

Description of free hold properties of the Transferor company -

ANNEXED

**SCHEDULE**

**[PART - II]**

Description of lease hold properties of the Transferor company -

**ANNEXED**

**SCHEDULE**

**[PART - III]**

Short description of all stocks, shares, debentures and other chose - in - action of the Transferor company - **ANNEXED**





**SCHEME OF ARRANGEMENT  
BETWEEN  
KOTHARI PRODUCTS LIMITED  
AND  
PAN PARAG INDIA LIMITED**

**PREAMBLE**

This Scheme of Arrangement is presented under Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 for :-

Demerger of Pan Masala Division, Beverages Division & Trading Division of Kothari Products Limited (KPL), the Demerged Company into Pan Parag India Limited (PPIL), the Resulting Company.

**PART A - PRELIMINARY**

- A. Kothari Products Limited, the Demerged Company** is in the business of products relating to supari, tobacco pan masala and gutkha & beverages (FMCG division). It has invested larger amounts in shares and securities including that of real estate companies.
- B. Pan Parag India Limited, the Resulting Company** is the company formed with the sole purpose of taking over the pan masala division, beverages division and trading division of KPL.
- C. Background of the Arrangement**

Kothari Products Limited is mainly in manufacturing and marketing of Tobacco related products. Lately, there are various restrictions by various state governments to do business in these products and as a result Kothari Products Limited is not able to grow in the said business. As a result of risks involved with said business, Kothari Products Limited may not be able to raise funds for its other businesses like real estate division. It will be better if different businesses with varying risks and return profiles are done through distinct legal entity and in the process enabling investors including small shareholders giving reasonable exit route or increase exposure as they may choose.

**1. DEFINITIONS**

Unless repugnant to the context or meaning thereof, the following expressions shall have the meanings & assigned to them respectively herein below:

- 1.1 "Act"** means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.
- 1.2 "Appointed Date"** means the date on which certified copy of the order of the Honourable High Court of Judicature at Allahabad sanctioning the Scheme is filed with the Registrar of Companies or such later date (which may include the Effective Date) as may be determined

by the Board of Directors of the Demerged Company and the Resulting Company.

- 1.3 **"Effective Date"** means the last of the dates on which the conditions and matters referred to in Clause 15 hereof occur or have been fulfilled or waived. References in this Scheme to the date of "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date.
- 1.4 **"Approval"** means any sanction, approval, consent or permission from a Statutory Authority required for the Scheme to be legally effective, operational and binding.
- 1.5 **"KPL" or "the Demerged Company" or "the Transferor Company"** means Kothari Products Limited a company within the meaning of the Act having its Registered Office at "Pan Parag House", 24/19, The Mall, Kanpur - 208 001, Uttar Pradesh.
- 1.6 **"PPIL" or "the Resulting Company" or "the Transferee Company"** means Pan Parag India Limited a company within the meaning of the Act having its Registered Office at "Pan Parag House", 24/19, The Mall, Kanpur - 208 001, Uttar Pradesh.
- 1.7 **"Demerged Undertaking" or "FMCG Division"** means entire business of the Pan Masala Division, Beverages Division & Trading Division of KPL as a going concern, and shall include (without limitation):
- All assets and properties wherever situated whether movable or immovable, tangible or intangible real or personal, brands and registrations relating to the said businesses, corporal or incorporeal present, future or contingent relating to the Demerged Undertaking of KPL as identified and approved by the board of Directors of KPL on the Appointed Date. (hereinafter referred to as "the said assets");
  - All the debts, liabilities, contingent liabilities, duties, obligations and guarantees, inter divisional or inter segment liabilities of Demerged Undertaking of KPL as on the Appointed Date (hereinafter referred to as "the said liabilities").
  - Without prejudice to the generality of sub-clauses (a) and (b), the entire undertaking of KPL being transferred to PPIL shall include Demerged Undertaking of KPL comprising movable and immovable properties, lease-hold rights, hire purchase contracts, pending contracts, revisions, powers, authorities, allotments, approvals and registrations, contracts, engagements, agreements, arrangements, titles, intellectual property rights, tenancy rights, authorizations, trademark rights, demarks, patents, earnest money and/or security deposits, various exemptions/incentives granted under different scheme of State/Central Government, telephones, telex, facsimile and other communication facilities and equipments, rights and benefits of all agreements and all other interests, rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages, benefits and approvals and all books of accounts, document, records and all other assets relating to the Demerged Undertaking as identified and approved by the board on the Appointed Date including all trademarks, patents, Know-how for manufacturing of pan masala and tobacco products of the Demerged Undertaking and all other intellectual properties, either



- developed indigenously or acquired for consideration or otherwise forming part of the Demerged Undertaking whether having any value in the books or not.
- d. For the purpose of this Scheme, it is clarified that liabilities pertaining to the Demerged Undertaking include.
    - i. Liabilities which directly and specifically arise out of the activities or operations of the Demerged Undertaking;
    - ii. Liabilities both present and contingent.
    - iii. Specific loans and borrowings raised, if any, incurred and utilised solely for the activities or operations of the demerged undertaking;
    - iv. Liabilities other than those referred to in (i) or (ii) above, i.e. the amounts of general or multi-purpose borrowings of KPL allocated to the demerged undertaking in proportion as identified by the management on the appointed date, however, the same without detriment to the security for such borrowings to the lenders as it existed before the scheme coming into effect.
  - e. All permanent employees of the Demerged Undertaking, as identified by the Board of Directors of KPL on the Appointed Date.
  - f. Any question that may arise as to whether a specific asset or liability pertains or does not pertain to Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking or not will be decided by mutual agreement between the Board of Directors of KPL and PPIL in consultation with the statutory auditors of KPL.
- 1.8 **"High Court"** shall mean the High Court of Judicature at Allahabad. In the event of the National Company Law Tribunal (hereinafter referred to as "the Tribunal") being duly constituted by the Central Government by a Notification in the Official Gazette and the proceedings initiated under Section 391-394 of the Companies Act, 1956 relating to this scheme being transferred to the Tribunal, the words "High Court" shall be deemed to mean and include the Tribunal as the context may require.
- 1.9 **"Remaining Assets"** in relation to KPL means and includes all assets of Investment Division and all other intellectual properties excluding all the patents known for manufacturing of masala and tobacco products of the Demerged Undertaking and other assets of the said demerged undertaking whether recorded or not.
- 1.10 **"Remaining Liabilities"** in relation to KPL means and includes all liabilities including that of Investment Division and other than that of Demerged Undertaking.
- 1.11 **"Record Date"** means the date to be fixed by the Board of Directors of KPL in consultation with the Board of Directors of PPIL for the purpose of reckoning names of the equity shareholders of KPL who shall be entitled to receive the shares of PPIL upon coming into effect of this Scheme as specified in clause 1.3 of this Scheme.

- 1.12 "**Scheme**" or "**the Scheme**" or "**this Scheme**" means this Scheme of Arrangement for the demerger of Pan Masala Division, Beverages Division & Trading Division of KPL into PPIL in its present form or with any modification(s) approved or imposed or directed by the High Court.
- 1.13 "**SEBI**" means the Securities and Exchange Board of India established under the Securities and Exchange Board of India Act, 1992.
- 1.14 "**Statutory Agency**" means any Government agency of the Union of India or of any State of India, SEBI, RBI or any such other body whose approval is required for the Scheme to be effective.

## 2. INTERPRETATIONS

Unless the context or meaning thereof otherwise requires:

- 2.1 Reference to the words "herein" and "hereunder" and other words of similar import refer to this Scheme as a whole and not to any particular Clause or sub-clause and the words "Clause" or "sub clause" refer to the relevant Clause or sub-clause, as the case may be, of this Scheme.
- 2.2 Reference in this Scheme to any deed, document, and writing or to any statute shall include any modification, re-enactment or extension thereof.
- 2.3 Headings are for ease of reference only, and shall not be taken into account for interpretation of any provision of this Scheme.
- 2.4 Reference to any singular, includes plural and vice versa.
- 2.5 Reference to any gender includes the other gender.
- 2.6 "Person" Includes an individual, partnership firm, company (as defined in Section 3 of the Act) a body corporate as defined in Section 2(17) of the Act, a co-operative society and any body or organization of individuals or persons whether incorporated or not.
- 2.7 If by the terms of this Scheme, any act would be required to be performed on a day which is a Public Holiday, that act shall be deemed to have been performed, if performed on or within the period ending on the immediately succeeding Business Day after that day.

## 3. WHEREAS

- 3.1 KPL is primarily engaged in business of products related to tobacco, pan masala, gutka, beverages and also trading in other items. KPL also make investments of its surplus funds in shares & securities including that of real estate companies and such investments has grown substantially.
- 3.2 KPL is mainly engaged in manufacturing and marketing of tobacco related products. Lately, there are various restrictions by various state governments to do business in these products and as a result KPL is not able to grow the said business. As a result of risks involved with the said business, KPL may not be able to raise funds for its other businesses like real estate



etc.. It will be better if different businesses with varying risks and return profiles are done through distinct legal entity and in the process enabling investors including small shareholders giving reasonable exit route or increase exposure as they may choose. There are also differences in the manner in which each of these businesses are required to be managed. So to give shareholders option to exit business, which they don't like to be in, it seems demerging and keeping each of the business in separate legal entity is ideal. Such reorganization would be in the interest of all the stakeholders including employees.

- 3.3 With a view to effect such plan, KPL proposes to transfer the Demerged Undertaking as mentioned herein above to PPIL for such consideration and in such manner as provided for in this Scheme of Arrangement (the "Scheme") under the provisions of Sections 391-394 and other relevant provisions of the Act.

## 4. SHARE CAPITAL

- 4.1 The Present Share Capital of KPL.

Particulars	Amount in Rs.
<b>Authorised Share Capital</b>	
1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000
<b>TOTAL</b>	<b>11,00,00,000</b>
<b>Issued, Subscribed &amp; Paid-up</b>	
66,31,970 Equity Shares of Rs. 10/- each fully paid up	6,63,19,700
<b>TOTAL</b>	<b>6,63,19,700</b>

There has been no change in capital structure of KPL till date. The Equity Shares of KPL are listed on Bombay Stock Exchange Limited, the National Stock Exchange of India Limited, U.P. Stock Exchange Association Limited and Calcutta Stock Exchange Association Limited. KPL is awaiting the formal letter of approval for delisting from Calcutta Stock Exchange Association Limited.

- 4.2 The Present Share Capital of PPIL.

Particulars	Amount in Rs.
<b>Authorised Share Capital</b>	
1,10,00,000 Equity Shares of Rs. 10/- each	11,00,00,000
<b>TOTAL</b>	<b>11,00,00,000</b>
<b>Issued, Subscribed &amp; Paid-up</b>	
50,000 Equity Shares of Rs. 10/- each fully paid up	5,00,000
<b>TOTAL</b>	<b>5,00,000</b>

There has been no change in capital structure of PPIL till date. The Equity Shares of PPIL are at present not listed on any Stock Exchange.

## **5. TRANSFER AND VESTING OF DEMERGED UNDERTAKING**

- 5.1 With effect from the Appointed Date, pursuant to the provisions of Section 391/394 and other relevant provisions of the Act and the Scheme the whole of the Demerged Undertaking of KPL shall be demerged from KPL and be transferred to and vest in or be deemed to have been transferred to and vested in PPIL as a going concerns without any further act, instrument or deed (save as provided in Clause 5.2 below) so as to become as and from the Appointed Date, the assets, (subject to encumbrances and charges, if any, existing thereon) and liabilities of PPIL in accordance with Section 2(19AA) of the Income Tax Act, 1961.
- 5.2 The transfer of movable assets of the Demerged Undertaking shall be affected as follows:
- a. All movable assets including title of goods or properties and cash in hand, of pertaining or relating to it's the Demerged Undertaking capable of passing by manual delivery or by endorsement and delivery shall be so delivered or endorsed and delivered as the case may be to PPIL to the end and intent that the property and ownership therein passes to PPIL on such delivery or endorsement and delivery. Such delivery, transfer and endorsement shall be made on a date mutually agreed upon between the Board of Directors of the KPL and the Board of Directors of PPIL.
- b. In respect of movable assets other than those specified in (a) above, including sundry debtors, outstanding loans and advances, if any, recoverable in kind or for value to be received, bank balances and deposits, if any, with Government, Semi Government, local and other authorities and bodies, customers and others, the following modus operandi shall to the extent possible, be followed, that KPL and PPIL shall jointly or severally as may be decided by both of them, give notice as they may deem fit and proper, that pursuant to the High Court has sanctioned, inter alia, the arrangements between KPL and PPIL and their respective shareholders and Creditors under Section 391 to 394 of the Act, the said debts, loans, advances and deposits pertaining to the Demerged Undertaking be paid and/or made good to or be held on account of PPIL as the person entitled there to the end and intent that the right of KPL to recover or realise the same stands transferred and assigned to PPIL and that appropriate entry shall be made in the books of accounts of KPL and PPIL to record the aforesaid change.
- 5.3 The debts, liabilities, contingent liabilities, duties and obligations of KPL relating to the Demerged Undertaking including inter segment liabilities (hereinafter referred to as "the said liabilities") shall also, without any further act, instrument or deed be transferred to and vest in and/or deemed to be vested in PPIL pursuant to the provisions of Section 391/394 of the Act, so as to become as and from the Appointed Date, the debts, liabilities, contingent liabilities duties and obligations of PPIL on the same terms and conditions as were applicable to KPL.



- 5.4 The transfer and vesting of the Demerged Undertaking as aforesaid shall be subject to the existing and other security interests, charges, mortgages, if any, subsisting over or in respect of the property and assets or any part thereof relating to the Demerged Undertaking. Provided however, any reference (in any security document or arrangement to which KPL is a party) to the assets of the Demerged Undertaking as the case may be offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to those of the Demerged Undertaking which are vested in PPIL by virtue of the aforesaid clauses to the end and Intent that such security interests, charges and mortgages shall not extend or be deemed to extend to any of the other assets of PPIL unless specifically agreed to by PPIL with such secured creditors. Provided also that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Demerged Undertaking of KPL and PPIL shall not be obliged to create any further or additional security therefor after this Scheme becomes operative.

## **6. CONDUCT OF BUSINESS**

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

- 6.1 KPL shall carry on and be deemed to have carried on the business and activities in relation to the Demerged Undertaking and shall stand possessed of all assets and properties of the Demerged Undertaking in trust for and for the benefit of PPIL and shall account for the same to PPIL.
- 6.2 All income, profit accruing or losses incurred by KPL in relation to the Demerged Undertaking and all costs, charges, expenses and losses incurred by KPL in relation to the Demerged Undertaking shall for all purposes be treated as the income, profits, costs, charges, expenses and losses, as the case may be, of PPIL and shall be available to PPIL for being dealt with and disposed off in any manner as it thinks fit, including declaration of dividend.
- 6.3 KPL shall carry on the business of the Demerged Undertaking with reasonable diligence and in the same manner as it had been doing hitherto for and on behalf of PPIL.
- 6.4 KPL shall not, without the concurrence of PPIL, alienate, charge or encumber any of the properties of the Demerged Undertaking except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the Appointed Date.

## **7. LEGAL PROCEEDING**

All legal proceedings of whatsoever nature by or against KPL pending and/or arising at the Appointed Date and relating to the Demerged Undertaking shall be continued and/ or enforced by or against PPIL, as effectually as if the same had been pending and/ or arising against PPIL.

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

Subject to the other provisions of the Scheme, all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Demerged Undertaking to which KPL

is a party subsisting or having effect immediately before or after the Effective Date shall remain in full force and effect against or in favour of PPIL and shall be binding on and be enforceable against PPIL as fully and effectually as if it had at all material times been a party thereto.

## **9. REMAINING BUSINESS**

- 9.1 The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continue to belong to and be vested in and be managed by KPL.
- 9.2 All employees of Remaining Business of KPL who are in service on the date immediately preceding the Effective Date shall continue to remain employees of KPL, without any break or interruption in service and on terms and conditions no less favourable than those on which they are engaged by KPL as on the Effective Date.
- 9.3 All legal or other proceedings by or against KPL under any statute, whether pending on the Appointed Date or which may be instituted in future and relating to the Remaining Business, shall be continued and enforced by or against KPL.
- 9.4 All profits accruing to KPL or all losses incurred by it relating to the Remaining Business with effect from the Appointed Date and thereafter, shall be treated as the profits or losses, as the case may be, of KPL.

## **10. EMPLOYEES AND STAFF**

- 10.1 All employees of the Demerged Undertaking of KPL in service on the Effective Date, shall become employees of PPIL on such date without any break or interruption in service and on terms and conditions as to remuneration not less favourable than those subsisting with reference to KPL as on the said date.
- 10.2 It is provided that so far as the Provident Fund or any other Special Scheme(s)/ Fund(s), if any, created or existing for the benefit of the employees of KPL relating to Demerged Undertaking are concerned, upon the coming into effect of the Scheme, PPIL shall stand substituted for KPL in respect of employees transferred with the Demerged Undertaking for all purposes whatsoever, related to the administration or operation of such Schemes or Funds or in relation to the obligation to make contributions to said Schemes/Funds in accordance with provisions of such Schemes/Funds as may be provided in the respective Trust Deeds, to the end and intent that all rights, powers and obligations of the KPL relating to the Demerged Undertaking in such Schemes/Funds shall become those of PPIL. It is clarified that the services of the employees of KPL relating to the Demerged Undertaking will be treated as having been continuous for the purpose of the aforesaid Scheme/Funds.

## **11. ISSUE OF SHARES BY THE RESULTING COMPANY**

- 11.1 Upon coming into effect of the Scheme and in consideration for the transfer of the Demerged Undertaking to PPIL pursuant to Clause 5 hereof, the consideration in respect of



such transfer shall, subject to the provisions of the Scheme, be paid and satisfied by PPIL as follows:

- 11.1.1 Equity Shareholders of KPL will be issued and allotted 10 (Ten) 6% Non Cumulative Redeemable Non Convertible Preference Shares of Rs. 10/- each fully paid in PPIL for every 1 (One) Equity Share of Rs. 10/- each held by it in KPL.
- 11.2 6% Non Cumulative Redeemable Non Convertible Preference Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of PPIL.
- 11.3 6% Non Cumulative Redeemable Non Convertible Preference Shares will be redeemed by PPIL not later than the expiry of a period of 36 (Thirty Six) months from the date on which such shares are allotted.
- 11.4 6% Non Cumulative Redeemable Non Convertible Preference Shares of PPIL issued in terms of Clause 11 of this Scheme will not be listed on any Stock Exchange.
- 11.5 For the purpose of issue of 6% Non Cumulative Redeemable Non Convertible Preference Share to NRI shareholders of KPL, PPIL shall and to the extent required, apply for and obtain the required statutory approvals including approval of Reserve Bank of India and other concerned regulatory authorities for the issue and allotment by PPIL of such 6% Non Cumulative Redeemable Non Convertible Preference Share.
- 11.6 6% Non Cumulative Redeemable Non Convertible Preference Shares to be issued by PPIL pursuant to this Scheme in respect of any Equity Shares of KPL which are held in abeyance under the provisions of Section 206A of the Act or otherwise shall pending allotment or settlement of dispute by order of Court or otherwise, be held in abeyance by PPIL.
- 11.7 The period for which the shares in KPL were held by shareholders shall be included in determining the period for which 6% Non Cumulative Redeemable Non Convertible Preference Shares in PPIL have been held by the respective shareholder.
- 11.8 The issue and allotment of 6% Non Cumulative Redeemable Non Convertible Preference Share by PPIL to the shareholders of KPL as provided in the Scheme is an integral part thereof and shall be deemed to have been carried out as per procedure laid down under Section 81(1A) and any other applicable provisions of the Act duly complied with.

## **12. ACCOUNTING TREATMENT**

- 12.1 Upon coming into effect of the Scheme the assets and liabilities of KPL being transferred to PPIL shall be at values appearing in the books of accounts of KPL as on Appointed Date.
- 12.2 The difference between the value of assets and liabilities transferred pursuant to the scheme and after adjustment as stated in clause 12.5 shall be first charged to balance in General Reserve of KPL and in the event of short fall, to be charged to balance in Profit & Loss Account. The balance of General Reserve Account and Profit & Loss Account as the case

may be, shall stand reduced to that extent.

- 12.3 Upon coming into effect of the Scheme PPIL shall record the assets and liabilities pertaining to Demerged Undertaking of KPL transferred to and vested in PPIL pursuant to this Scheme at the respective book values thereof appearing in the books of KPL at the close of business of the day immediately preceding the Appointed Date.
- 12.4 PPIL shall credit to its Share Capital in its books of account the aggregate face value of the 6% Non Cumulative Redeemable Non Convertible Preference Shares issued by it to members of KPL pursuant to this scheme and clause 11.1 of this Scheme.
- 12.5 The corresponding effect of inter divisional loans & advances in respect of demerged undertaking and remaining undertaking shall be reflected in respective books of KPL and PPIL in form of Loans & advances given or Unsecured Loans as the case may be.
- 12.6 The excess of value of the assets over the value of the liabilities recorded by PPIL in its books upon vesting of the Demerged Undertaking pursuant to this Scheme and after adjusting aggregate face value of 6% Non Cumulative Redeemable Non Convertible Preference Shares issued by PPIL to the shareholders of KPL and after adjustment as stated in clause 12.5 shall be credited to the General Reserve Account in the books of PPIL. Similarly, deficit if any, may be debited to the Goodwill Account in the books of PPIL.
- 12.7 If any disputes arise in connection with the accounting treatment, than companies are required to finalize the same in consultation with the statutory auditors of the respective company.

### **13. DIVIDEND, BOUNS / RIGHT SHARES**

- 13.1 KPL shall not, except with the consent of the Board of Directors of the PPIL declare and pay dividend whether interim or final to their respective Equity Shareholders in respect of the Accounting Period after the Appointed Date and prior to the Appointed Date.
- 13.2 KPL shall not, except with the consent of the Board of Directors of the PPIL, change its capital structure by issue of new shares by way of Right Shares, Warrants, convertible securities or otherwise.

### **14. APPLICATION TO THE HIGH COURT**

- 14.1 KPL and PPIL shall with all reasonable dispatch, make applications to the High Court of Judicature at Allahabad under Section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the members and/or creditors of each company as may be directed by the High Court.
- 14.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and/or creditors of KPL and PPIL and as may be directed by the High Court, each of the Companies shall with all reasonable dispatch, apply to the High Court for sanctioning the Scheme under Sections 391 to 394 of the Act, and/or such other order or orders, as the said High Court may deem fit to pass for carrying the scheme into effect.



**15. SCHEME CONDITIONAL ON APPROVALS / SANCTIONS**

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

- 15.1 The requisite consents, approvals or permissions if any of the Central Government or any other Statutory Agencies (including RBI), Stock Exchanges, SEBI which by law may be necessary for the implementation of this Scheme;
- 15.2 The approval by the requisite majorities of the classes of persons of KPL, PPIL, as may be directed by the High Court under Section 391 of the Act; and
- 15.3 The sanction of the Scheme by the High Court under Section 391 of the Act and the appropriate Orders being passed by the High Court pursuant to Section 394 of the act and the filing of the certified copies of such orders with Registrar of Companies, Kanpur.

**16. EFFECT OF NON RECEIPT OF APPROVALS**

In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/or the Scheme not being sanctioned by the Allahabad High Court or such other competent authority within such period or periods as may be agreed upon between the Board of Directors of KPL, PPIL (and which the respective Boards of Directors are hereby empowered and authorised to agree to and extend from time to time), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed, done prior thereto as is contemplated hereunder and which shall be governed and be preserved or worked out as is specifically provided in this Scheme or as may otherwise arise in law.

**17. MODIFICATIONS OR AMENDMENT OF SCHEME**

KPL and PPIL by their respective Directors so nominated in that behalf, may assent to any modification or amendment to this Scheme which the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out the Scheme in the best interest of all stake holders and KPL and PPIL by their respective Directors so nominated in that behalf, be and are hereby authorised to take such steps and do all acts, deeds and things as may be necessary or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions which may arise by reason of any orders of the Court or of any directive or orders of any authority or otherwise howsoever arising out of, under or by virtue of this Scheme and all matters relating to or connected therewith.

**18. CHANGE IN MEMORANDUM OF ASSOCIATION****Reclassification and Increase in Authorised Share Capital**

PPIL shall take the necessary steps to reclassify and Increase the Authorised Share Capital, If required, to enable it to issue and allot the shares as provided in Clause 11 of the Scheme. However, approval of the scheme shall be deemed to be the approval for reclassification

and increase of the Authorised Share Capital as may be required.

## 19. DATE THE SCHEME COMES INTO OPERATION

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

## 20. COSTS, CHARGES AND EXPENSES

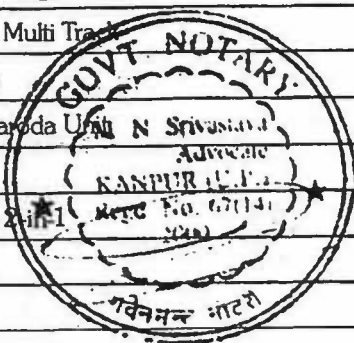
- 20.1 All costs, charges and expenses, including out of pocket expenses, legal expenses and stamp duty as payable after due adjudication of the same takes place, with respect to this Scheme for carrying out and implementing the Scheme and all matters incidental thereto shall be borne by PPIL.
- 20.2 Notwithstanding anything contained herein above, in the event of the Scheme not becoming effective for any reason whatsoever, all the expenses of this Scheme shall be borne by the respective companies in such proportion as may be mutually agreed.





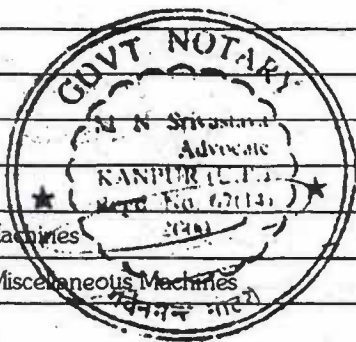
**KOTHARI PRODUCTS LIMITED**
**STATEMENT OF ASSETS & LIABILITIES TO BE TRANSFERRED BY KOTHARI PRODUCTS LTD. (THE DEMERGED COMPANY) TO PAN PARAG INDIA LIMITED (THE RESULTING COMPANY) UNDER THE SCHEME OF DEMERGER.**

		(FIG IN CRORES)	
<b>ASSETS</b>			
<b>Fixed Assets</b>			
<b>Immovable Properties</b>			
Factory at 133/233-34-35 TP Nagar Kanpur	0.16		
Factory at 107 Rattoo Purwa Kanpur	0.07		
Factory at 225 TP Nagar Kanpur	0.08		
Factory Bldg at 68-B Udyog Nagar Kanpur	0.16		
Factory Building at A 1-4, Cinnamara, Jorhat	0.34		
Factory Building at DAG 11, Industrial Area, Jorhat	2.69		
Factory Building at Nadiad	0.43	3.93	
<b>Movable Properties</b>			
<b>Plant &amp; Machinery - As per Following Details -</b>		8.84	
<b>Pan Masala Division</b>			
<b>Kanpur Unit - Full Plant &amp; Machinery as it is - containing-</b>	2.30		
Betelnut Cutting Plant			
Betelnut Baking Plant			
Masala Mixtures			
Tobacco Mixtures			
Kattha Pulverizer			
Pouch Packing Machines - Single Track			
Pouch Packing Machines - Multi Track			
Betelnut Cutting Machines			
Supari Cutting Plants of Baroda Unit			
Ovens			
Pouch Packing Machines - 2 in 1			
Destoners			
Shrink packing Machines			
Carton Wrapping Machines			
Sealing Machines			



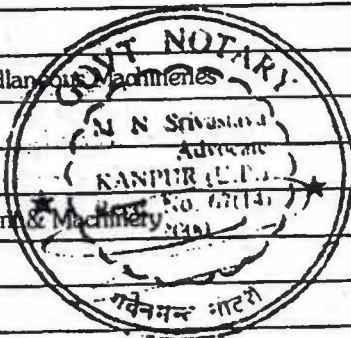
# KOTHARI PRODUCTS LIMITED

Strapping Machines			
S.S. Tanks			
Seed Cutters			
Auto Vacuum Brick Pack Machine			
Inkjet Printer Machines			
Doctrine Machines			
Tin Sealer Machines			
Lifts			
D.G. Sets			
Transformers			
Zipper Pouch Packing Machines			
All other Ancillary and Miscellaneous Machines			
<b>Jorhat Units - Full Plant &amp; Machinery as it is - containing -</b>	<b>4.81</b>		
Masala Mixtures			
Kattha Pulverizer			
Pouch Packing Machines - Single Track			
Pouch Packing Machines - Multi Track			
Dehumidifier Plants			
Airconditioning Plants			
Ovens			
Shrink packing Machines			
Sealing Machines			
Strapping Machines			
S.S. Tanks			
Auto Vacuum Brick Pack Machine			
Inkjet Printer Machines			
Doctrine Machines			
Tin Sealer Machines			
D.G. Sets			
Transformers			
Zipper Pouch Packing Machines			
All other Ancillary and Miscellaneous Machines			
<b>Noida Unit -</b>			
Miscellaneous items of Plants & Machinery	<b>0.04</b>		



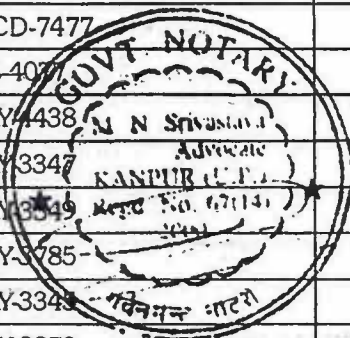


<b>Beverages Division</b>			
<b>Nadiad Unit - Full Plant &amp; Machinery as it is - containing -</b>	<b>1.13</b>		
Bottle Blowing Plant			
Bottle Filling Plant			
Micro Filtration Machines			
Ozonation			
Pre-heaters			
R.O. Plant			
Sterilising Machines			
Flee Killing Machines			
Airconditioning Plant			
Boiler			
D.G. Set			
Lab Equipments			
Air Compressor			
All other Ancillary & Miscellaneous Machineries			
<b>Kanpur Unit - Full Plant &amp; Machinery as it is - containing -</b>	<b>0.26</b>		
R.O. Plant			
Ozonator			
U.V. System			
S.S. Storage Tank			
Bottle Filling Machines			
Glass Packing Machines			
Pouch Packing Machines			
Inkjet Printer			
Ice-Cube Machine			
D.G. Set			
All other Ancillary & Miscellaneous Machineries			
<b>Mumbai Unit -</b>	<b>0.30</b>		
Miscellaneous Items of Plant & Machinery			
<b>Motor Lorries</b>		<b>0.51</b>	



# KOTHARI PRODUCTS LIMITED

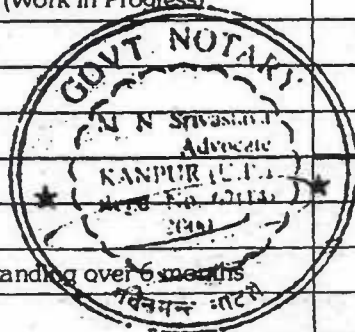
Motor Cars & Two Wheelers -		2.78	
Vehicle No.	Make		
UP-78-U-5736	Maruti 800		
GJ-6-AB-4077	Honda City		
UP-78-AF-0099	Honda City		
UP-78-AG-0695	Tata Qualis		
WB-40F-9056	Maruti Omini		
UP-78-AH-4455	Honda City		
UP-78-AJ-5804	Santo Delux		
UP-78-AJ-5807	Santo Delux		
UP-78-AK-9270	Maruti 800		
UP-78-AL-9279	Toyota Corolla		
UP-78-AM-3375	Maruti 800		
UP-78-AV-1899	Honda Accord		
UP-78-AQ-9290	Toyota Qualis		
UP-78-AQ-8609	Maruti 800		
UP-78-AQ-8608	Maruti 800		
UP-78-AR-9461	Honda City		
UP-78-AS-4941	Maruti Zen		
WB-20-G-5056	Scarpio		
UP-78-AV-3887	Maruti Wagon R		
UP-78-AV-3610	Maruti Zen		
MH-04-CH-4777	Scarpio		
UP-78-AV-0077	BMW		
UP-78-AV-0009	BMW		
WB-02-T-1477	Tata Indica		
UP-78-AV-5526	Maruti Esteem		
MH-04-CD-7477	Tata Indica		
GJ-6-AB-4077	Honda City		
UP-78-AY-4438	Maruti 800		
UP-78-AY-3347	Maruti 800		
UP-78-AY-3349	Maruti 800		
UP-78-AY-3785	Maruti Esteem		
UP-78-AY-3343	Tata Indica		
UP-78-AY-9279	Innova		
UP-78-AZ-0081	Maruti Swift		
UP-78-BC-6131	Maruti Wagon R		
UP-78-BC-6132	Maruti Zen		





# KOTHARI PRODUCTS LIMITED

GJ-01-HL-3677	Tata Indica		
DL-4C-AE-6277	Innova		
PB02-AV-8988	Mahindra Bolero		
DL-4C-AE-7167	Innova		
DL-4C-AE-7157	Innova		
AS-03-B-9909	Honda City		
AS-03-D-7357	Maruti Van		
AS-03-C-5507	Maruti Van		
DL-3C-Q-6377	Lancer		
DL-1V-A-0277	Qualis		
DL-3C-V-1277	Maruti Esteem		
DL-3C-P-0477	Honda City		
MH-06-M-5277	Accent		
GJ-1H-C-5077	Fiat Palio		
GJ-1H-A-8077	Tata Sumo		
All the Two Wheelers			
Cycles		0.01	
Computers		0.08	
Office Equipments		0.89	
Furniture & Fixtures		0.11	17.15
<b><u>A Current Assets, Loans &amp; Advances</u></b>			
<b><u>Inventories</u></b>			
Stores & Perfumes	6.47		
Raw Materials	1.86		
Finished Goods	1.25		
Semi finished Goods (Work in Progress)	0		
Stock in transit	0.19		
Trading items	0.38		
Packing Materials	4.46		
<b><u>Sundry Debtors</u></b>			
Sundry Debtors outstanding over 6 months	6.43		
Other Debtors	10.69	17.12	
<b><u>Cash &amp; Bank Balances</u></b>			
Cash on Hand	0.49		



# KOTHARI PRODUCTS LIMITED





**SCHEDULE OF PROPERTIES****SHORT DESCRIPTION OF IMMOVABLE AND MOVABLE  
PROPERTIES OF DEMERGED COMPANY TO BE TRANSFERRED****PART - I**

Short Description of free hold properties of Kothari Products Limited, the Demerged Company-

- (i) All that piece or parcel of land admeasuring about 729 Sq Yards situated at 133/233, 133/234 and 133/235 T.P. Nagar Kanpur, Uttar Pradesh together with all buildings and structure thereon and all Plant, Machinery and equipments installed thereon.
- (ii) All that piece or parcel of land admeasuring about 356 Sq Yards situated at 107 Rattoo Purwa, Kanpur, Uttar Pradesh together with all buildings and structure thereon and all Plant, Machinery and equipments installed thereon.
- (iii) All that piece or parcel of land admeasuring about 260 Sq Yards situated at 225 T.P. Nagar Kanpur, Uttar Pradesh together with all buildings and structure thereon and all Plant, Machinery and equipments installed thereon.
- (iv) All the leasehold rights of land situated at Plot No. 68-B, Block, Udyog Nagar, Kanpur, Uttar Pradesh admeasuring about 1190 Sq Yards together with all buildings and structure thereon and all Plant, Machinery and equipments installed thereon.

**PART - II**

Short Description of leasehold properties of Kothari Products Limited, the Demerged Company :-

- (i) All the leasehold rights of land situated at A-1-4, Industrial Estate, DIC Complex Block, Cinnamara, Johrat, Assam admeasuring about 1956 Sq Yards together with all buildings and structure thereon and all Plant, Machinery and equipments installed thereon.
- (ii) All buildings and structure, all Plant, Machinery and equipments installed on the leasehold land situated at DAG No. 11, Industrial Estate, Cinnamara, Johrat, Assam admeasuring about 1956 Sq Yards.
- (iii) All the leasehold rights of land situated at Mahi Canal, Civil Hospital Road, Nadiad - 387 001 Dist Kheda, Gujarat admeasuring about 8668 Sq Yards together with all buildings and structure thereon and all Plant, Machinery and equipments installed thereon.

## PART - III

All shares, debentures & other chose in action and all movable properties, stocks, investments including those listed below and Bank accounts with various Banks, Deposits and Security deposits with various Government and Non Government Authorities including Electricity Boards, Telephones, Excise, Sales Tax etc., Debts and recoverable claims and entitlements to various subsidies and other agreements, Plant and machinery, Vehicles, Office equipments, Furnitures and fixtures and all other Assets of the Demerged Undertaking of Kothari Products Limited, the Demerged Company.

Investments in National Savings Certificates of Rs. 2000/-

DATED THIS 18th DAY OF OCTOBER, 2008.

(BY THE COURT)

**TRUE CO**

*Chaudhary*  
23/10/08  
Section Officer:  
Copy to 'D' Department:  
High Court, Allahabad

REGISTERED GENERAL

*US*  
18/10/08  
18-10-08  
A.R.