MEMORANDUM AND ARTICLES

OF

ASSOCIATION

OF

KALYANI INVESTMENT COMPANY LIMITED

I N D E X

सत्यमेव जयते

प्रारुप 1
पंजीकरण प्रमाण-पत्र

कॉर्पोरेट पहचान संख्या : U65993PN2009PLC134196 2009 - 2010

मैं एतदद्वारा सत्यापित करता हूँ कि मैसर्स

KALYANI INVESTMENT COMPANY LIMITED

का पंजीकरण, कम्पनी अधिनियम 1956 (1956 का 1) के अतंर्गत आज किया जाता है और यह कम्पनी लिमिटेड है।

यह निगमन-पत्र आज दिनांक पच्चीस जून दो हजार नौ को मेरे हस्ताक्षर से पूणे में जारी किया जाता है।

Form 1
Certificate of Incorporation

Corporate Identity Number : U65993PN2009PLC134196 2009 - 2010

I hereby certify that KALYANI INVESTMENT COMPANY LIMITED is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the company is limited.

Given under my hand at Pune this Twenty Fifth day of June Two Thousand Nine.

Seal of the Registrar of Companies
रजिस्ट्रार की मोहर

(KATKAR VISHNU PANDURANG)

कम्पनी रजिस्ट्रार / Registrar of Companies

महाराष्ट्र, पूणे

Maharashtra, Pune

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :

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

KALYANI INVESTMENT COMPANY LIMITED
Mundhwa,, Pune,
Pune - 411036,
Maharashtra, INDIA

सत्यमेव जयते

व्यापार प्रारंभ करने का प्रमाण-पत्र

कम्पनी अधिनियम 1956 की धारा 149(3) के अनुसरण में

कॉर्पोरेट पहचान संख्या : U65993PN2009PLC134196

मैं एतदद्वारा सत्यापित करता हूँ कि मैसर्स
KALYANI INVESTMENT COMPANY LIMITED

जिसका निगमन, कम्पनी अधिनियम, 1956(1956 का 1) के अंतर्गत दिनांक पच्चीस जून दो हजार नौ को किया गया था और जिसने निर्धारित प्रपत्र में घोषणा प्रस्तुत की है या विधिवत सत्यापित किया है कि उक्त कम्पनी ने, अधिनियम की धारा 149(2) (क) से (ग) तक की शर्तों का अनुपालन कर लिया है और व्यापार करने के लिए हकदार है।

यह प्रमाण-पत्र आज दिनांक पच्चीस मार्च दो हजार दस को मेरे हस्ताक्षर से पूणे में जारी किया जाता है।

Certificate for Commencement of Business

Pursuant of Section 149(3) of the Companies Act, 1956

Corporate Identity Number : U65993PN2009PLC134196

I hereby certify that the KALYANI INVESTMENT COMPANY LIMITED which was incorporated under the Companies Act, 1956(No. 1 of 1956) on the Twenty Fifth day of June Two Thousand Nine , and which has this day filed or duly verified declaration in the prescribed form that the conditions of the Section 149(2)(a) to (c) of the said act, have been complied with and is entitled to commence business.

Given under my hand at Pune this Twenty Fifth day of March Two Thousand Ten .

(VISHNU PANDURANG KATKAR)
कम्पनी रजिस्ट्रार / Registrar of Companies
महाराष्ट्र, पूणे
Maharashtra, Pune

कम्पनी रजिस्ट्रार के कार्यालय अभिलेख में उपलब्ध पत्राचार का पता :
Mailing Address as per record available in Registrar of Companies office:

KALYANI INVESTMENT COMPANY LIMITED
Mundhwa,, Pune,
Pune - 411036,
Maharashtra, INDIA

THE COMPANIES ACT 1956

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

KALYANI INVESTMENT COMPANY LIMITED

I. The name of the Company is KALYANI INVESTMENT COMPANY LIMITED.

II. The Registered Office of the Company will be situated in the State of Maharashtra within the jurisdiction of Registrar of Companies, Pune.

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

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

1. To carry on the business of an Investment Company in India or outside India and to buy, underwrite, invest in, acquire, hold and deal in shares, stocks, debentures, debenture-stock, bonds, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and debentures, debenture-stock, bonds, obligations and securities, issued or guaranteed by any Government, State, dominions, sovereign rulers, commissioners, public body or authority, supreme, municipal, local or otherwise, firm or person, whether in India or elsewhere, subject to approval of appropriate authorities.

2. To carry on the business of dealers and/or investors in metals, bullion, gold, silver, diamonds, precious stones, ornaments and jewellery and paintings and manuscripts and objects of art, shares, stocks, debentures, debenture-stock, bonds, obligations or securities.

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

3. To promote, organise, manage, hold, dispose of or deal with shares or securities of Unit Trusts, whether of fixed or variable return.

4. To acquire any such shares, stocks, debentures, debenture stock, bonds, obligations or securities by original subscription, or otherwise, either individually or in partnership with any person, participate in syndicate, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.

5. To underwrite, subscribe, conditionally or unconditionally, purchase or otherwise acquire and to hold, dispose of and deal in the stocks, shares and securities of any other company or to act as brokers therefor and to receive commissions in cash or kind for such services.

6. To create and issue equity, and preference shares and debentures or debenture stock and to redeem, cancel, purchase and accept surrenders of any such shares or stock.

7. To facilitate and encourage the creation, issue or conversion of debenture or debenture stock, bonds, obligations, shares, stocks and securities, conversion of business concerns and undertakings into companies and, or amalgamation.

8. To carry on all or any of the business of guaranteeing the performance of any contract or obligation of any company, firm or persons and guaranteeing the payment and repayment of the capital and principal of dividend, interest or premium payable on any stock, shares and securities, debentures, debenture-stock, mortgage, loan and other securities issued by any company corporation, firm or persons, including (without prejudice to the said generality) bank overdrafts, bills of exchange and promissory notes and generally of giving guarantees and indemnities and guaranteeing the fidelity of persons filling situations of trust or confidence or due performance of duties.

9. To transact or carry on agency business including selling and buying agency and in particular in relation to the investment of money, the sale of the property and the collection and receipt of money.

10. To invest any moneys of the company not required for the purpose of its business in such investments or properties or securities as may be thought expedient and to carry on business as financiers, generally and in particular as financiers of industry, commerce and agriculture and concessionaires, and to undertake, and carry on and execute all kinds of financial, commercial, and other operations which may be capable of being conveniently carried on in connection with any of these objects or calculated directly or indirectly, to enhance the value of or facilitate the realisation of, or render profitable, any of the company's property or rights.

11. To give any guarantee in relation to the payment or repayment of any money, unsecured or secured by or payable under or in respect of any promissory notes, bonds, debentures, debenture-stock, contracts, mortgages, charges obligations or securities and to guarantee the payment of interest thereon or any stock or shares of any company and generally to guarantee and furnish securities for the repayment of any loans and for the performance of any contracts and obligations of any person, firm or body corporate.

12. To payout of the funds of the Company all expanses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commission, for obtaining application for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company or of any other Company, whose shares or debentures may be underwritten by the Company.

13. To amalgamate, enter into partnership or enter into any scheme of arrangement or reconstruction or demerger for sharing, profits, union of interests, co-operation, joint venture, or reciprocal concession, or for limiting competition with any individual, person or company carrying on or engaged in, or about to carry on or engage in, any business or transaction which the 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.

14. To undertake or participate in the formation of any other company or firm or any other legal entity and to also undertake or participate in the management, supervision or control of the business operations of any other company, firm of any legal body or entity or of any other person or individual.

15. To receive money on deposit or loan and borrow or raise in such manner as the company shall think fit and in particular by the issue of debentures or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the property or assets of the company (both present and future) including is uncalled capital. and also by a similar mortgage, charge or lien to secure and guarantee the performance by the company or by any other person or company of any obligation undertaken by the company or by any other person or company as the case may be but shall not carry on the business of Banking as defined in the Banking Regulations Act, 1949 subject to the directives of R.B.I.

16. To purchase, acquire, undertake or take over the whole or any part of the business, profession, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any person, firm or company carrying on or proposing to carry on or ceasing to carry on any business, profession or activity which the company is authorised to carry on, or possessed of, property or rights suitable for the purpose of the company and upon such terms and subject to such stipulations and conditions and at or for such price or consideration (if any) in money, shares debentures, moneys worth or otherwise as may be deemed fit.

17. To enter into any arrangements and contracts with any Governments or authorities, municipal, local or otherwise or any persons or company in India or abroad, that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government Authority, persons or company, any rights privileges, licences and concessions, including in particular rights in respect of waters, waterways, power supply, road and highways, which the company may consider necessary or desirable to obtain, and to carry out, exercise, use or comply with any such arrangements, rights, privileges or concessions.

18. To employ experts to investigate and examine into the conditions, prospects, value character and circumstances of any business concerns and undertakings and generally of any assets, concessions, properties or rights.

19. To sell, mortgage, exchange, grant leases, licences, easements and other rights in respect of improve, develop and turn to account or deal with (in any manner) the lands, property, assets, investments, undertakings, rights and effects of the company or any part thereof for such consideration as may be thought fit and in particular for shares, debentures or securities of any other company, whether party paid up or fully paid up.

20. To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of and for the company or for any other purpose which may seem directly or indirectly calculated to benefit the company.

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

22. To procure the registration, incorporation or other recognition of the company under the laws or regulations of any other country and to do all acts necessary for carrying on any business or activity of the company in any foreign country.

23. To donate or gift, in cash or in kind for any national, charitable, religious, benevolent, public, purposes or to any institution club, society, research association fund, university, college or any other person or body.

24. To apply for secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise, and to exercise, carry out, use and enjoy and charter, licence, power, authority, franchise, concession, right or privilege, which any government or authority, or any corporation or other public body may be empowered to grant, and to pay for, aid in, and contribute towards carrying on the same into effect.

25. To apply for, promote, and obtain any statute, order regulation or other authorisation or enactment which may seem calculated directly or indirectly to benefit the company, and to oppose any bills, proceedings, or applications which may seem calculated directly or indirectly to prejudice the company's interests.

26. To apply for and take out, purchase or otherwise acquire any patents, patent rights, copyrights, trade marks formulae, licences, concessions and the like, any secret or other information and processes or technical knowhow, the acquisition of which may seem calculated directly or indirectly to benefit the company.

27. 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 to 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 of any company which is a subsidiary of the company or is allied to or associated with the company or with any such subsidiary company, or who are or were at any time directors or officers of the company or of any such other company as aforesaid, and the wives, widows, families and dependents of any such persons, and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to be for the benefit of or to advance the interests and well being of the directors, ex-directors, employees, ex-employees of the company or of any such other company as aforesaid and make payments to or toward the insurance of any person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other company as aforesaid.

28. To open bank accounts in any bank, commercial or cooperative, and enjoy all type of bank facilities including cash credit, overdraft and to operate the same.

29. To distribute amongst the members of the company in specie any property of the company, or any proceeds of sale or disposal of any property of the company in the event of winding up of the company. Subject to the provisions of the Companies Act, 1956.

30. To invest and deal with he moneys of the company not immediately required in any manner.

31. To adopt such means of making known and advertising the business of the company as many seem expedient.

32. To accept gifts, bequests, devices and donations from members and others and to make gifts to members and other money, assets and properties of any kind.

33. To purchase for investment or resale land and house and other property of any tenure and any interest therein and to create, sell and deal in free hold and leasehold ground rents and to make advances and upon the security of land, house, or other property or any interest therein and generally to deal in or sell, lease, exchange or otherwise with land and house property and other property whether real or personal and to turn the same into account.

34. To act as trustees, executors, administrators, nominees and agents.

35. To carry on business on its own account or an account of the constituents, as buyers, sellers, importer, exporters, agents, dealers, or as collectors, of all or any of the goods and things in which the company is authorised to deal.

36. To create any reserve fund, sinking fund, insurance fund dividend equilisation fund or any other special fund whether for depreciation or for repairing, improving extending or maintaining any of the property of the company or for any other purpose conducive to the interests of the company.

37. To carry out all or any of the objects of the company and do all or any of the above things in any part of the world and either as principal, agent, contractor or otherwise, and by or through agents or otherwise, and either alone or in conjunction with others.

38. To carry on all or any of the business of money, leading, acting as finance brokers, and acting as agents of underwriters, consultants, assessors, valuers, surveyors, mortgage brokers and undertaking the provision of the hire purchase and credit sale finance and of acting as factors and brokers in any line or activity.

39. To refine, manipulate, repair, alter, exchange, purchase, sell, export, import, deal in or let on hire all kinds of goods, commodities, substances, works, plants, machinery, appliances, apparatus tools and implements and other articles, chattels and things and to manufacture, experiment with, render marketable and deal in all products or residual and by products incidental to or obtained in any of the business carried on by the company.

40. To purchase, hold, take on lease or exchange, take on mortgage and give on mortgage, hire or otherwise acquire and hold or deal in any other immovable property including lands, buildings, houses, flats, bungalow, shops, offices, godowns, patents, licences and any rights, interests and privileges therein and to develop and turn them to account or let them out on rent.

41. To become member of other bodies of persons and associations, including societies, clubs and companies limited by guarantee, whether formed for profit or for non-profit activities.

42. To represent, express and give effect to the views and opinions of tenders and manufactures on commercial mercantile or industrial matters of all kinds and generally to undertake liaison work and public relations.

43. To advice on promotion or opposition of bills in Parliament or other measures affecting traders or manufacturers generally and to consider. originate, and support improvements in the commercial laws.

44. To communicate with chambers of commerce and other mercantile and public bodies throughout the world and to advise on, concert promote and support measures for the protection advancement, growth of trade, commerce and industry and for protection and welfare of persons engaged therein.

45. To promote, assist to take part in, and appear or lead evidence before any commission, investigation, inquiry, trial or hearing, whether public or private, relating to matters connected with any trade, business or industry.

46. To promote co-operation, hold conferences, organise and participate in meetings, maintain bureau, carry on correspondence, arrange discussions symposiums and debates, prepare statements, reports and articles relating to any and all matters of interest to trade, industry, business of public generally.

47. To undertake and carry on the officers and duties of trustees, executor, administrator, treasurer, manager, registrar, or nominee of, or for any person, body corporate (whether incorporated or not), association, scheme, trust, funds, government, state, municipal or corporate and generally to undertake, perform and discharge any trust or agency business and any office of trust or confidence.

48. To receive money, securities and valuables of all kinds and deposit at interest or for custody, subject to the directives of R. B. I.

49. To provide, supply maintain and operate for the benefit of any individual, firm, society, trust, company and or body corporate and/or person, services, facilities, bureaus, privileges, institutions and the like including the following :-

a) Medical and health services ..
b) Industrial health facilitate and services.
c) Industrial relations and security services.
d) Advertising and publicity.
e) Accountants
f) Personal experts and executives.
g) Business planning services.
h) Research and development.
i) Centralised project planning services.
j) Estate agents
k) Housing education, recreation.
l) Holiday houses and other social amenities.
m) Culture spiritual, moral, philantropic and religious needs and requirements of human beings and such other services, facilities, conveniences and the like including requirements and needs.
n) Provisions, articles, things, conveniences, entertainments needed by human beings in general.
o) Tours, travels, conveyances, lodging, boarding.

50. To create any depreciation fund, reserve fund, sinking fund, insurance fund, or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property of the company or for redemption of debentures or redeemable preference shares or any other purpose whatsoever conducive to the interest of the company.

51. To give guarantees and carry on and transact every kind of guarantee and counter guarantee business and in particular to guarantee the payment of any principal moneys, interests or other moneys secured or payable under any debenture bonds and debenture stock, mortgages, charges, contracts, obligations and securities and the repayment of the capital of stocks and shares of all kinds and description.

52. To apply for, tender, purchase, or otherwise acquire or enter into any contracts, sub-contracts, arrangements, licences and concessions for or in relation to the objects or businesses herein mentioned or any of them, and to undertake, execute, carry out, dispose of or otherwise turn to account the same.

(C) OTHER OBJECTS NOT INCLUDED IN A & B ABOVE

53. To carry on the business of manufacturers and dealers in all kinds of containers and packing boxes, wrappers and cases required for packing of finished products.

54. To search for get, work, raise, make merchantable, sell and deal in iron, coal, iron stone, limestone, manganese, ferro manganese, magnesite, clay, fireclay, brick earth, bricks and other metals, minerals and substances, and to manufacture and sell briquettes and other fuel, and generally to undertake and carry on any business transaction, or operation commonly undertaken or carried on by explorers, propectors or concessionaire and to search for, win, work, . get, calcine, reduce, amalgamate, dress, refine and prepare for the market any quartz and ore and mineral substances, and to buy, sell, manufacture and deal in minerals and mineral products, plant and machinery and other things capable of being used in connection with mining or metallurgical operations.

55. To carry on the business of a waterworks company in all its branches and to sink wells and shafts, and to make, build and construct, lay down and maintain re-servoirs, water-works, cisterns, culverts, filterbeds, main and other pipes and appliances, and to execute and do all other works and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water.

56. To carry on business as timber merchants, saw-mill proprietors and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber and wood of all kinds and to manufacture and deal in articles, of all kinds, in the manufacture of which timber or wood is used and to buy, clear, plant and work timber estates.

57. To carry on business as manufacturers of chemicals and manures, dye makers, gas makers, metallurgists and mechanical engineers, ship owners and charterers and carriers by land and sea, wharfingers, warehousemen, bargeowners, planters, farmers and sugar merchants and so far as may be deemed expedient to the business of general merchants.

58. To construct, purchase, take on lease, or otherwise acquire any other transport, and to equip, maintain, work and develop the same by electricity, steam, oil, gas, petroleum, horse, or any other motive power, and to employ the same in the conveyance of passengers, merchandise and goods of every description, and to authorise the Government of India, or any Local Government or any municipal or local authority, company, or person, to use and work the same or any part thereof, and to lease or sell and dispose of the some or any part thereof.

59. To carry on the business as merchants, traders, commission agents, brokers, adatias, or in any other capacity in India or elsewhere and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise deal in goods, produce, articles and merchandise of any kind.

60. To carry on all or any of the business of mining, refining and preparing for market ores, minerals, metals and substances of every kind and description, and processing them and trading in them and their products and by products.

61. To carry on all or any of the business of prospecting exploring, opening and working mines, drill and sink shafts or well and to pump, refine, raise, dig and quarry for oil, petroleum, gold, silver, diamonds, precious stones, coal, earth, limestone iron aluminum, titanium, vanadium, mica, apalite, chrome, copper, gypsum, lead, manganese, molybdenum, nickel, platinum, uranium, rutile, sulphur, tin, zink, zircon, bauxite and tungsten and other ores and minerals.

62. To carry on all or any of the business of manufacturers of and dealers in organic and inorganic chemicals, petrochemical, fertilizers, manures, pesticides, soda ash, caustic soda, calcium carbide, ethyl, alcohol, coal tar, hymedicines, ointments, essences, acids, toilet requisites, soaps, detergents, cosmetics, perfumes dyes, paints, colors, pigments varnishes, inks, explosives ammunition, fuels, oils, greases, lubricants, vegetables and cotton seed oils.

63. To carry on all or any of the business of engineers founders, smeltors, fabricators, smith, metal workers, metallurgists, electric and chromium palters, polishers, painters, tinsmiths, locksmiths, iron mongers, alloy makers and machinists and manufacturers of and dealers in machinery, tools, instruments and equipments of all kinds used in mining, refining, manufacturing and processing of ores, mineral goods and material.

64. To carry on all or any of the business of manufacturers and of dealers in forgings castings and stamping of all metals, tools, bolts, nuts, nails, rivets, hinges, hooks, handles, buckets, bath tubs, tanks, trunks, metal furniture, sewing machines, safes, chimneys, pipes, locks dies, jigs, measuring tapes, automobile parts, agricultural implements, armanents, tanks, guns and parts and components of all kinds of machinery.

65. To carry on the business of the manufacturing, buying, selling, reselling, exchanging, hiring, altering, importing, improving, assembling, distributing, servicing, repairing and dealing in motor vehicles, packages or component parts thereof trucks, tractors, chassis, motors, motor cycles, cycles, buses, lorries, omnibuses, engines, locomotives, wagons, turbines, tanks, ships, boats, barges, launches, aeroplanes, airships, seaplanes, balloons and aircraft of every description and other vehicles and component or motor vehicles replacement parts, tools, implements, spare parts accessories, materials and products for the transport or conveyance of passengers, merchandise and goods of every description whether propelled or used by electricity, steam, oil vapour, gas petroleum or any other motive or mechanical power in India or elsewhere.

66. To carry on all or any of the businesses of manufacturing processing and dealing in iron and steel, ferroalloys, special steels, aluminum, copper, lead, zine, and their alloys and products and of manufacturing and dealing in industrial machinery, machine tools, boilers, Internal combustion engines, ball , roller, and tapered bearings, tubes, cables, wires, pipes, cookers, printing, machinery, textile machinery and their components and accessories.

67. To carry on all or any of the businesses of spinners, weavers, cloth manufacturers, furriers, hosiers, dress makers, tailors, hatters, outfitters, glovers, shoe makers, carpet makers of jute goods, umbrellas, brushes, combs, razors, blades and scissors.

68. To carry on all or any of the businesses of manufacturers of and dealers in glass, glass products, including sheet and plat glass, optical glass wool, laboratory ware, bottles, jars, containers, thermos-bottles, enamelware and receptacles of all kinds; and of and in wood products, including plywood, matches, furniture, boxes, windows, doors, tools and other articles and products in which timber and lumber merchants and proprietors of saw mills.

69. To carry on all or any of the businesses of manufacturers of dealers in, hirers and repairers of electrical machinery, equipment and appliances of all kinds and descriptions including motors, batteries, dynamos, bulbs, armatures, magnets, conductors, insulators, transformers, converters, switch boards, airconditioners, refrigerators, domestic appliances and electronic equipments including readers, computers, business machines, radios, television sets, tapes and telecommunication equipment and telephone equipment and their components and accessories including transistors, resistors, condensers and coils.

70. To carry on all or any of the businesses of manufacturers and dealers in all types of rubber, leather, plastic, latex, celluloid, bakelite and similar goods and their accessories and fittings, including tyres, tubes, rolls, rollers, shoes and packaging items.

71. To carry on all or any of the businesses of manufacturers of and dealers in cement, lime, plasters, ceramic, sanitary fittings, asbestos sheets, chinaware whitening clay, gravel, sand, minerals, earth. coke, fuel and stone and builders of requisites and convenience of all kinds.

72. To carry on the businesses of manufacturers of and dealers in, machinery and plant of every description and kind and in particular machine tools and implements, and to manufacture, produce, repair, alter, convert, recondition, prepare for sale, buy, sell, hire, import, export, let out on hire, trade and deal in machine tools and implements, other machinery, plant, equipment, article, apparatus, appliances, component parts, accessories, fittings and things in any stage or degree of manufacture process or refinement.

73. To carry on all or any of the businesses of manufacturers of and dealers in pulp and paper of all kinds and articles made from paper or pulp and materials used in the manufacture or treatment of paper, including packaging goods and materials such as bags, cartoons, containers, and boxes whether made of paper, plastic or any other materials and pens, pencils and ball pens.

74. To carry on all or any of the businesses of goldsmiths, silversmiths, jewellers, gem and diamond merchants and of manufacturing and dealing in clocks, watches, jewellery and cutlery and their components and accessories and of producing acquiring and trading in metals, bullion, gold ornaments, silver, silver utensils, diamonds, precious stones, paintings, coins, manuscripts, curios, antiques and objects of art.

75. To carry on all or any of the businesses of business of dealing in all kinds of machinery, equipment and appliances required for generating, distributing, employing and consuming electricity and of acting as electrical engineers and contractors and of purifying and distributing water.

76. To carry on all or any of the businesses of constructing buildings, roads, bridges, dams and working as builders and contractors, architects, decorators and of manufacturers and processors of and dealers in all kinds of building materials including bricks, tiles, marbles, hardware, cement, sanitary goods, road making materials and of acting as estate agents, brokers, marlagers of estates and properties and of acquiring premises on lease and giving them on sub-lease.

77. To carry on all or any of the businesses of brewers, distillers, millers, bakers, butchers, confectioners and makers and manufacturers of and dealers in flour, rava, maida, biscuits, bread, sugar, gur, khandasari, molasses, syrups, food, articles of all types and description, cigarettes and other articles made with tobacco, aerated, mineral and artificial water, alcohol, beer, wines, whiskies and liquors of every description.

78. To carry on all or any of the businesses of carriers of passengers and goods and merchandise by air, sea or surface transport and to maintain airlines, shipping line, roadways and other transport services and to act as clearing agents for warding agents, travel agents, charterers, tour agents and freight contractors.

79. To carry on all or any of the businesses of salt making; fishery; producing; distributing and exhibiting firms; of manufacturing and dealing in cameras and photographic equipments and materials and of renting or hiring out or dealing in all kinds of machinery, equipments, furniture, vehicles, ships, automobiles, aeroplanes, ‘fans, sewing machines and other things.

80. To carry on all or any of the businesses and professions of providing services of all types including technical, administrative, marketing, secretarial, business management and other office services and providing services of technicians, scientists, artists, administrators, salesmen, economists, accountants, tax, experts and of acting as recruitment agents, advertising agents, organisers of conferences, auctioneer, executors, administrators, attorneys, nominees, receivers, secretaries and agents (and to exercise the power of custodians) of working as professional consultants, on technical, financial, management, productivity, taxation, employment, investment, marketing, banking and economic problems and matters.

81. To carry on all or any of the businesses of procuring, developing and supplying technical know-how, patents, inventions, drawings, designs and other scientific formulae, and processes for the manufacture or processing of all and every kind of goods and materials; for the installation or erection of machinery or plant for such manufacturing and processing and for the working of mines, oil wells and other sources of minerals and deposits and for search and discovery and testing of mineral deposits and for carrying out any operations relating to agriculture, animal husbandry, dairy or poultry farming, forestry and fishing and rendering services in connection with the provisions of such technical know-how.

82. To carry on all or any of the businesses of undertaking or arranging for the writing and publication of books, magazines, journals or pamphlets on subjects relating to trade, commerce, industry, agriculture, medicine, banking, insurance, investment, taxation, finance, economics, law and other subjects as also to carry on business as a translation bureau.

83. To undertake, aid or promote research in all matters relating to commerce, economics, finance, agriculture, medicine, industry, mining, technical and science as also to undertake feasibility studies into problems relating to personnel and industrial and business management and distribution, marketing and selling and to collect, prepare and distribute, information and statistics relating to any type of business or industry and generally to act as market research consultants.

84. To carry on business as business transfer agents, brokers, valuers, estate agents and to advise, negotiate and arrange for the introduction of sellers, purchasers, partners and employees for the purchase or sale of any trade or business or any interest therein, the purchase or sale of partnerships or the purchase, sale or mortgage of debentures, shares, assets, or other securities or of any real or personal property.

85. To purchase, sell or otherwise transfer, lease, license, use, dispose of, operate, fabricate, construct, assemble, design, develop, charter, hire, acquire, recondition, work upon or otherwise generally deal in computers, tabulators, data processing equipments and, allied machinery and electronic equipments of every kind, description and activation, including accounting book-keeping, calculating, counting, reckoning, registering, recording, perforating, tabulating, sorting, adding, subtracting, dividing, multiplying, printing, typewriting, copying, reproducing and distribution machines and machinery systems, apparatus appliances, facilities and accessories and devices of 011 kinds, and for all purposes, and any products and component parts therefor materials or articles used in connection therewith, and any and all other machines, machinery, appliances, apparatus, devices, materials, substances, articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.

86. To carry on the trade or business of dealing in lands, buildings, factories, houses, flats, and other residential, industrial, commercial agricultural and mining properties.

87. To carry on the business of building or erecting and constructing structures and houses of sheds and other fixtures on land and *I* or buildings and to purchase, take on lease or otherwise acquire or exchange or transfer any lands and *I* or buildings or any tenure and of all types and kinds and to develop, mould or otherwise work on any land or buildings acquired by the company and to do the business of builders, constructors, engineers and contractors, decorators, designers, architects, planners building experts and advisers, dealing stones, bricks cement, lime, sand, timber iron and other building materials and paints and varnishes of all types.

88. To carry on the business of hotel, restaurant, cafe, tavern refreshment room, and boarding and lodging house keepers, beer house keepers, licensed victuallers, wine, beer and spirit merchants, aerated mineral and artificial water and other drinks, purverors, caterers for public amusement, generally dealers in ivory, novelty and other goods and as general merchants, garage proprietors, of livestock stable keepers; job masters, farmers, dairymen, importers and brokers of food, live and dead stock and foreign produce of all descriptions, hair dressers, prefumers, chemists, proprietors of all kinds of clubs, baths, dressing rooms, laundries, reading, writing and newspaper room, libraries, cinemas, theatres, discotheques concert and dancing halls, amusement centres, skating halls, recreation spots, entertainment and instruction of all kinds, tobacco and cigar merchants, travel agents, bank mukadams, for railways, shipping and airways and road and transport corporations, companies or bodies and carriers by land, water and air, barge, property. and freight contractors, forwarding agents, clearing agents, stevedores, ship chandlers, caterers in railways, airlines and steamship companies, underwriters and insurers of ships, crafts, goods and other property, conducting safe deposit vaults, general agents, ice merchants, and to carry on the business of running night clubs, swimming pools, plying of launches and boats, bakery and confectionery, and any other business which can be conveniently, carried on in connection therewith.

89. To carry on the business of manufacturers of and dealers in sugar, gur, khandsari, sugar-candy, chocolates, toffees and other allied products.

90. To carry on the business of brewers, distillers and manufacturers of, and merchants and dealers in vinegar, acetic acid, glucose, wines, spirits, beers, porter, malt, hops, grain, meal, yeast, aerated water, carbonic acid gas, mustard, pickles, sauces, condiments of all kinds, cocoa, coffee, preserves and all or any other commodities and things.

91. To do, undertake and carry on the business of agriculture, which shall, amongst other things, mean and include horticulture, forestry, horse-breeding, cattle breeding, animal husbandry, dairy farming pisciculture, piggery, poultry farming; ploughing and cultivation of lands, planting and farming; business and activities normally carried on by agriculturists, farmers and planters; business as producers, dealers, traders, as general merchants, importers, exporters, buyers and sellers of all kinds of agricultural produce and agricultural produce shall mean and include rice, wheat, grain, cereals, seeds, nuts fruits, vegetables, sugarcane, spices, tea, coffee, cinchona, rubber, timber, tobacco, cotton, just and every other produce of the soil and of forests, as also dairy and garden produce of all kinds and in particular milk, cream, butter, cheese and eggs, all kinds of vegetable products, oils, starch, sugar, glucose and all other allied products, by-products and components thereof, cattle, cows, sheep, pigs, poultry, fish, game and live and dead stock, meat, beef, pork and sausage, hides, fat, tallow, grease and products containing anyone or more of them, food, food-stuff and edible things and provisions of all kinds and descriptions, and timber and wood of all kinds and descriptions. Also to undertake agricultural operations, which shall mean and include improvement of land and irrigation thereof, providing of water to farmers and planters, building of dams and bunds, installation of pump sets and lift irrigation, construction of wells including tube-wells, canals, aqueducts and reservoirs; actual work and all operations done in fields and on land at all stages from sowing and ploughing till reaping and harvesting of crops and all other incidental, related and necessary activities; construction of farms, farm houses, warehouses, freezing-houses, sheds and other buildings for storing agricultural

produce; providing and spraying of pesticides, and preservation of agricultural produce, production, processing marketing, sale and distribution of all agricultural tools and implements; to undertake all works, activities and operations in relation to agriculture, agricultural operations and agricultural produce, which works activities operations shall mean and include mechanisation of agriculture and agricultural operations, processing of agriculture, agricultural operations or agricultural produce and industries connected therewith, construction of warehouses, godowns and silos; construction of markets to promote the sale and distribution of agricultural produce; promotion and establishment and running of agro-industries and food industries; production, supply and distribution of fertilisers, pesticides, ploughs, tractors, machinery equipments, tools and implements of all kinds and description required or used for the purposes of agriculture and agricultural operations, purchase, sale breeding and rearing of live-stocks and animals, growing, improving, preserving and maintaining of forests, forest products and other forest wealth and all other activities and operations incident to or connected with agriculture, agricultural produce or agricultural operations or any of the subjects which are set out in this clause.

92. To carry on the business of cold storage of fruits, vegetable, seeds, fish, meat agricultural products milk and dairy products and other perishable items.

93. To cultivate tea, coffee, cinchona, rubber and other produce and to carry on the business of planters in all its branches to carry on and do the business of cultivators winners and buyers of every kind of vegetable, mineral or other products of the soil, to prepare in all products intended for use in foundry, and treatment of metals.

94. To carry on the business as manufacturers, dealers, stockiest, importers and exporters of engineer's drawing sets, builders, hardware steel rules, measuring tapes, cutting tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools, instruments, apparatus and other machinery, plant, equipment, articles, appliances, their component parts, accessories and allied things.

95. To carry on the business as manufacturers, dealers, stockists, importers and exporters of general goods, suppliers, commission agents and clearing and forwarding agents; to carry on all or any of the businesses of wholesale and retail in all kinds of merchandise such as textile, yarn, steel, spices, dry fruits, chemicals, dyes and chemical grains etc.

96. To give and / or procure and make available servailable services of expert engineers and contractors maintenance, repairs, alterations and additions to plant including the services of Engineering Department.

97. To supply and to provide, maintain, operate services, facilities, conveniences for the benefit of any person, company, trusts, associations, organisations whatsoever and to act as a service organisation for providing general administrative and other services to any person, company, firm, body, corporate, associations, etc.

98. To provide and to finish and fit out with all necessary furniture, instruments and other equipments and maintain and manage hospital or hospitals with or without medical school and nursing homes or institutes and dispensaries for the treatment, care and nursing of patients suffering from diseases or accidents in which they may remain for such period and on such terms and conditions as company may prescribe or in which they may remain for such period and on such terms and conditions as company may prescribe or in which they may be advised or treated as out-patients.

99. to employ medical, surgical and pharmaceutical officers, nurses and attendants for the purpose aforesaid and to provide and supply all such medicines, medical, surgical and pharmaceutical appliances and treatment and all such provisions and necessities as may be required for the purpose aforesaid or any of them.

100. To run any personnel department for selecting the right type of administrative and technical personnel and to advise on all problems arising out of employment and non-employment, on increasing the efficiency of labour, increasing productivity and on economy in labour costs.

101. As an agent to provide following :-

i) To collect and compile statistic useful to any industry and / or business in regard to sales, purchases, imports, exports and installation of plant and to conduct market research for various objects.

ii) To arrange for advertising and publicity campaign for any industry, company, corporation, firm, body, corporate, association, or any other person.

iii) To enter into and procure arrangement with any person, firm or company, in or outside India for obtaining or supply of technical know-how or technical services including benefits or technical research, training, selection and purchase of plant and machinery.

iv) To establish operate and manage or help in establishing, operating and managing in India or foreign, branches of any company, firm, association or other persons.

102. To undertake and carry on any of the trades or businesses of air transport. shippers, ship owners, ship brokers, ship repairers. shipping agents, dry dockers and insurance brokers, underwriters, ship managers, tug owners, loading brokers freight, contractors, carriers by land, water transport and general contractors, barge owners, Iightermen, railways and forwarding agents, dock-owners, engineers, ice merchants, refrigerators, store-keepers, ships, store husbands, stevedores, ware-housemen, wharfingers, salvers, ship builders and ship repairers, manufacturers of and dealers in machinery, engines, nautical instruments and ship's rigging, gear, fitting and equipments of every description generally to carry on the said business either as principals or agents on commission or otherwise.

103. To establish, maintain and operate air, shipping, road transport service (public and private) and all ancillary services and for this purpose as independent undertaking, to purchase, take in exchange, charter, hire, build, construct or otherwise acquire, and to own manage and trade with steam sailing, motor, aircraft and other ships, trawlers, drifters, tugs and vessels, motor and other vehicles, with all necessary and convenient equipment, engines, tackle, gear, furniture and stores or in shares or interests in ships, ve~sels motor and other vehicles including ships, stocks or securities or companies possessed of or interested in any ships, or vehicles or to maintain, repair, fit or refit, improve, insure, alter, sell, exchange or let out on hire or hire purchase or charter or otherwise deal with or dispose of any of the ships, vessels and vehicles, shares, stocks and securities or any of the engines, tackle, gear, furniture, equipments and store of the company.

104. To carry on the trades or businesses of manufacturers of and dealers in explosive, ammunition, fireworks and other explosives, and accessories of all kinds and of whatsoever composition and whether for military, sporting, mining or industrial purposes or for pyrotechnipal display or for any other purpose.

105. To carry on all any of the businesses of printers, stationers, lithographers, type founders, stereotypers, electrotypers, photographic printers, photo-lithographers, chrome-lithographers, photographers, engravers diesinkers, book-binders advertising agents and dealers in or manufacture of any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.

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

107. To carry on the business of iron founders and manufacturers of agricultural, implements and other machinery, tool makers, millwrights, machinists, iron and steel makers and convertors, smiths, wood-workers, builders, painters, metallurgists, water supply engineers.

108. To carry on the business as manufacturers and dealers in radios, television sets, radio receiving and transmitting sets and their components, parts, wireless, apparatus and appliances and radio and other materials, goods, machinery and requisites.

109. To carry on the business or manufacture of and dealers in cosmetics, pharmaceuticals, paints and other products in the form of Aerosol, to undertake production of raw materials and components such as propellants, valves, containers, bottles, etc., required for manufacture of Aerosol, to undertake such ancillary activities or procure from the market services for plastic coating of bottles, printing of bottles and cans, internal lacquering of cans etc., or get such services rendered through elsewhere.

110. To carry on the business of proprietors and managers of theaters (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, burlesques, vaude-ville revues, ballets, pantomimes spectacular pieces, promenade and other concerts and other musical and dramatic performances and entertainments.

111. To carry on the business of manufacture of and dealers in tobacco, cigar, cigarettes, match lights, pipes and any other articles required by or which may be convenient to smokers, and of snuff grinders and merchants and box merchants, and to deal in any other articles and things commonly dealt in by tobacconists.

112. To purchase, take on lease, exchange or transfer otherwise any land for agriculture, horticulture, or for any other purpose and to sell, give on lease, exchange or transfer otherwise any land to carryon business as agriculturists, horticulturists or any other business.

113. To purchase any agricultural, horticultural products for resale, prepare for the market, to mix, tin, pack or otherwise and to sell any agricultural product.

IV. The liability of the members is limited.

***V.** i) The Authorised Share Capital of the Company is Rs.72,00,00,000/- (Rupees Seventy Two Crore only) divided into 1,20,00,000/- (One Crore Twenty Lakh) Equity Shares of Rs.10/- (Rupees Ten) each and 6,00,00,000 (Six Crore) 14% Non-Cumulative Redeemable Preference Shares of Rs.10/- (Rupees Ten) each.

ii) The Minimum paid up share capital shall be Rs. 5,00,000/- (Five Lakh only).

* (Clause V. i) amended vide High Court Order dated 12th March, 2010.

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

Name, Address, Description & Occupation of Subscribers	Number of shares taken by each subscriber	Name address, description and occupation of witness
1. Sd/- Chakrapani Investments and Trades Limited C/o. Kalyani Steels Limited Mundhwa, Pune – 411 036 Occupation : Business	49,994 [Forty Nine Thousand Nine Hundred Ninety Four] Equity	
2. Sd/- Mrs. Deepti Rajeev Puranik W/o. Mr. Rajeev Puranik 1 Akashdarshan, 76 Rambaug Colony, Paud Road, Pune 411 038 Occupation : Service	1 [One] Equity	
3. Sd/- Mr. Mangesh Vasant Kandharkar S/o. Mr. Vasant Kandharkar A 2/4 Sarita Vaibhav, Behind Old Vittalwadi, Jakat Naka Sinhgad Road, Pune - 411 030 Occupation : Service	1 [One] Equity	
4. Sd/- Ms. Kalpana Chandrakant Ghag D/o. Mr. Chandrakant Ghag 109, Shirishchandra Hsg. Society, Viman Nagar, Pune 411 014 Occupation : Service	1 [One] Equity	Witness to All Mr. Sridhar Mudliar, S/o Mr. Gopalkrishna Mudliar 22A, Hanuman Nagar, Pune – 411 016 Occ.: Company Secretary
5. Sd/- Mr. Prashant Pabhakar Bhave S/o. Mr. Pabhakar Bhave Flat No. 501, Prestige Corner, Plot No.32, Shailesh Hsg. Society, 39/2, 40/2, Karvenagar, Pune – 411 052 Occupation : Service	1 [One] Equity	
6. Sd/- Mr. Viraj Vasant Pandit S/o. Vasant Pandit Shamsundar Apartment, Anand Nagar,Off. Sinhagad Road, Pune – 411 051 Occupation : Service	1 [One] Equity	
7. Sd/- Mr. Harish Sadashiv Shingade S/o. Mr. Sadashiv Shingade A14, Chintamani Residency, Chaitraban, Near State Banknagar Colony, Bibwewadi, Pune – 411 037 Occupation : Service	1 [One] Equity	
	50,000 [Fifty Thousand] Equity	

Dated at Pune this 18th day of June, 2009

THE COMPANIES ACT, 2013

A COMPANY LIMITED BY SHARES

(Incorporated under Companies Act, 1956)

ARTICLES OF ASSOCIATION
OF
KALYANI INVESTMENT COMPANY LIMITED

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the 7th Annual General Meeting of the Company held on 11th August, 2016 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

TABLE 'F' EXCLUDED

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

(2) The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, be such as are contained in these Articles. *Company to be governed by these Articles*

INTERPRETATION

2. In the interpretation of these Articles, the following words and expression shall have the following meanings, unless repugnant to the subject or context: *Interpretation*

(1) "Act" means the Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) and the rules framed thereunder, as amended from time to-time, and shall include any and all modifications, amendments and replacements thereto from time-to- time; *Act*

(2) "Articles" shall mean these Articles of Association of the Company as amended or replaced from time-to-time; *Articles*

(3) "Board" or "Board of Directors" means the collective body of directors of the Company; *Board or Board of Directors*

(4) "Company" means Kalyani Investment Company Limited *Company*

Rules

(5) "Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

Seal

(6) **"Seal"** means the common seal of the Company.

(7) Words importing the singular number shall include the plural number and words importing the masculine gender shall, where the context admits, include the feminine gender.

(8) Unless the context otherwise requires, words or expressions contained in these Articles but not defined above shall bear the same meaning as in the Act or the Rules, as the case may be.

SHARE CAPITAL, SECURITIES AND VARIATION OF RIGHTS

Shares under control of Board

3. Subject to the provisions of the Act, Rules and these Articles the shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time-to-time think fit.

Allotment of shares otherwise than for cash

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

Kinds of Share Capital and Securities

5. (1) The Company shall be entitled to issue the following kinds of shares in accordance with these Articles, the Act, the Rules and other applicable laws:

a) Equity share capital:

   i. with voting rights; and / or

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

b) Preference share capital

(2) Subject to the provisions of the Act and the Rules and other applicable laws, the Company shall have a right to issue any kinds of securities having such rights as to conversion, redemption or otherwise and other terms and conditions and for consideration in cash or in consideration of any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business.

Issue of certificate

6. (1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within fifteen days from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the conditions of issue shall provide -

a) one certificate for all his shares without payment of any charges; or

b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.

(2) Every certificate shall be issued under the Seal in accordance with the Act and the Rules and shall specify the shares to which it relates and the amount paid-up thereon.

Certificate to bear seal

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

One certificate for shares held jointly

7. A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share and the record of the depository shall be the prima facie evidence of the interest of the beneficial owner.

Option to receive share certificate or hold shares with depository

8. If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.

Issue of new certificate in place of one defaced, lost or destroyed

9. The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

Provisions as to issue of certificates to apply *mutatis mutandis* to debentures, etc.

10. (1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be paid and disclosed in the manner required by the Act and the Rules.

Power to pay commission in connection with securities issued

(2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules.

Rate of commission in accordance with Rules

(3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

Mode of payment of commission

11) (1) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of the Act, and whether or not the Company is being wound up, be varied with the consent in writing, of such number of the holders of the issued shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the shares of that class with such requisite majority, as prescribed by the Act.

Variation of members' rights

(2) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutatis mutandis apply.

Provisions as to general meetings to apply *mutatis mutandis* to each meeting

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

Issue of further shares not to affect rights of existing members

Power to issue redeemable preference shares

13. Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act and the Rules.

Further issue of share capital

14. (1) The Board or the Company, as the case may be, in accordance with the Act and the Rules, issue further shares to -

a) Person(s) who, at the date of offer, is/are holder(s) of equity shares of the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or

b) employees under any scheme of employees' stock option; or

c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.

Mode of further issue of shares

(2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules.

LIEN

Company's lien on shares

15. (1) The Company shall have a first and paramount lien -

a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:

PROVIDED THAT the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

Lien to extend to dividends, etc.

(2) The Company's lien, if any, on a share shall extend to all dividends or interest payable, as the case may be, and bonuses declared from time-to-time by the Company in respect of such shares.

Waiver of lien in case of registration

(3) Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.

As to enforcing lien by sale

16. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made-

a) unless a sum in respect of which the lien exists is presently payable; or

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

Validity of sale

17. (1) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.

(2) The purchaser shall be registered as the holder of the shares comprised in any such transfer. Purchaser to be registered holder

(3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share. Validity of Company's receipt

(4) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale. Purchaser not affected

18. (1) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. Application of proceeds of sale

(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. Payment of residual money

19. In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim. Outsider's lien not to affect Company's lien

20. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of the Company. Provisions as to lien to apply *mutatis mutandis* to debentures,etc.

CALL ON SHARES

21. (1) The Board may, from time-to-time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not being the amounts payable at fixed times as per the conditions of allotment thereof. Board may make calls

(2) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares. Notice of call

(3) The Board may, from time-to-time, at its discretion, extend the time fixed for the payment of any call in respect of one or more members as the Board may deem appropriate in any circumstances. Board may extend time for payment

(4) A call may be revoked or postponed at the discretion of the Board. Revocation or postponement of call

22. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments. Call to take effect from date of resolution

23. The joint holders of a share shall be jointly and severally liable to any all calls in respect thereof. Liability of joint holders of shares

24. (1) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof (the "due date"), the person from whom the sum is due shall pay interest thereon from the due date to the date of actual payment at such rate as may be fixed by the Board. When interest on call or installment payable

Board may waive interest

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

Sums deemed to be calls

25. (1) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

Effect of non-payment of sums

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

Payment in anticipation of calls may carry interest

26. The Board-

a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as may be fixed by the Board. Nothing contained in this clause shall confer on the member (a) any right to participate in profits or dividends or (b) any voting rights in respect of the moneys so paid by him until the same would become presently payable by him.

Installments on shares to be duly paid

27. If by the conditions of allotment of any shares, the whole or part of the amount of issue price there of shall be payable by installments, then every such installment shall, when due, be paid the Company by the person who, for the time being and from time-to-time, is or shall be the registered holder of the share or the legal representative of a deceased registered holder.

Calls on shares of same class to be on uniform basis

28. All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of different class having the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

Partial payment not to preclude forfeiture

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

Provisions as to calls to apply *mutatis mutandis* to debentures, etc.

30. The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities including debentures of the Company.

TRANSFER OF SHARES

Instrument of transfer to be executed by transferor and transferee

31. (1) For shares in physical form, the instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.

(2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

Board may refuse to register transfer

32. The Board may, subject to the right of appeal conferred by the Act decline to register -

a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

b) any transfer of shares on which the Company has a lien.

33. In case of shares held in physical form, without prejudice to the other requirements of the Act and the Rules, the Board may decline to recognize any instrument of transfer unless - Board may decline to recognize instrument of transfer

a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;

b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transfer or to make the transfer; and

c) the instrument of transfer is in respect of only one class of shares.

34. On giving of previous notice of at least seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time-to-time determine: Transfer of shares when suspended

PROVIDED THAT such registration shall not be suspended for more than thirty days at any one time or for more than forty- five days in the aggregate in any year.

35. The provisions of these Articles relating to transfer of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company. Provisions as to transfer of shares to apply *mutatis mutandis* to debentures, etc.

TRANSMISSION OF SHARES

36. (1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares. Title to shares on death of a member

(2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. Estate of deceased member liable

37. (1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time-to-time properly be required by the Board and subject as hereinafter provided, elect, either - Transmission Clause

a) to be registered himself as holder of the share; or

b) to make such transfer of the share as the deceased or in solvent member could have made.

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

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

38. (1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Right to election of holder of share

Manner of testifying election

(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

Limitations applicable to notice

(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Claimant to be entitled to same advantage

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

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

Provisions as to transmission to apply *mutatis mutandis* to debentures, etc.

40. The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.

FORFEITURE OF SHARES

If call or installment not paid, notice must be given

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

Form of notice

42. The notice aforesaid shall:

a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

In default of payment of shares to be forfeited

43. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Receipt of part amount or grant of indulgence not to affect forfeiture

44. Neither the receipt by the Company for a portion of any money which may from time-to-time be due from any member in respect of his shares, nor any indulgence that may be granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture in respect of such shares as herein provided. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.

45. When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and an entry of the forfeiture with the date thereof, shall forthwith be made in the register of members but no forfeiture shall be invalidated by any omission or neglect or any failure, to give such notice or make such entry as aforesaid.

Entry of forfeiture in register of members

46. The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share.

Effect of forfeiture

47. (1) A forfeited share shall be deemed to be the property of the Company and may be sold or re-allotted or otherwise disposed of either to the person who was before such forfeiture the holder thereof or entitled thereto or to any other person on such terms and in such manner as the Board thinks fit.

Forfeited shares may be sold, etc.

(2) At any time before a sale, re-allotment or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Cancellation of forfeiture

48. (1) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares.

Members still liable to pay money owing at the time of forfeiture

(2) All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part.

Member still liable to pay money owing at time of forfeiture and interest

(3) The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

Ceaser of liability

49. (1) A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

Certificate of forfeiture

(2) the Company may receive the consideration, if any, given for any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

Transfer of forfeited shares

(3) The transferee shall there upon be registered as the holder of the share; and

(4) The transferee shall not be bound to see to the application of the purchase money if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

Transferee not affected

50. Upon any sale after forfeiture or for enforcing a lien in exercise of the powers herein above given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.

Validity of sales

51. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously

Cancellation of Share Certificate in respect of forfeited Shares surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

Surrender of share certificates and other entitlements

52. The Board may, subject to the provisions of the Act, accept a surrender of any share certificate or certificate or entitlement to any security from or by any member desirous of surrendering his shares or other securities on such terms as they think fit.

Sums deemed to be calls

53. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Provisions as to forfeiture of shares to apply *mutatis mutandis* to debentures, etc.

54. The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company.

ALTERATION OF CAPITAL

Power to alter share capital

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

a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares: Provided that any consolidation and division which results in changes in the voting percentage of members shall require applicable approvals under the Act;

c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Shares may be converted into stock

56. Where shares are converted into stock:

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

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

Right of stockholders

b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

c) such of these Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" /"member" shall include "stock" and "stock-holder" respectively.

57. The Company may, by resolution as prescribed by the Act, reduce, in any manner and in accordance with the provisions of the Act and the Rules, - Reduction of capital

a) its share capital; and / or

b) any capital redemption reserve account; and / or

c) any securities premium account; and/ or

d) any other reserve in the nature of share capital.

JOINT HOLDERS

58. Where two or more persons are registered as joint holders (not more than four) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship, subject to the following and other provisions contained in these Articles: Joint holders

a) The joint holders of any share shall be liable severally as well as jointly for and in respect of all calls or installments and other payments which ought to be made in respect of such share. Liability of Joint holders

b) On the death of any one or more of such joint holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Death of one or more joint holders

c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share. Receipt of one sufficient

d) Only the person whose name stands first in the register of members as one of the joint holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint holders. Delivery of certificate and giving of notice to first named holder

e) (i) Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof. Vote of joint holders

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

f) The provisions of these Articles relating to joint holders of shares shall *mutatis mutandis* apply to any other securities including debentures of the Company registered in joint names. Provisions as to joint holders as to shares to apply *mutatis mutandis* to debentures, etc.

CAPITALISATION OF PROFITS

59. (1) The Company may by ordinary resolution in general meeting, upon the recommendation of the Board, resolve- Capitalisation

a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

Sum how applied

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards :

a) paying up any amounts for the time being unpaid on any shares held by such members respectively;

b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).

(3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

Powers of the Board for capitalisation

60. (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall -

a) make all appropriations and applications of the amounts resolved to be capitalized thereby, and all allotments and issues of fully paid shares or other securities, if any; and

b) generally do all acts and things required to give effect thereto.

Board's power to issue fractional certificate / coupon etc.

(2) The Board shall have power-

a) to make such provisions, by the issue of fractional certificate / coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and

b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares.

Agreement binding on members

(3) Any agreement made under such authority shall be effective and binding on such members.

PURCHASE / BUY BACK OF SHARES

61. (1) Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall be entitled to purchase its own shares or other specified securities on such terms as deemed fit. Purchase / Buy-back of shares

(2) Subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall also be entitled to provide loan or any financial assistance to any person to purchase shares or securities of the Company.

GENERAL MEETINGS

62. All general meetings other than annual general meeting shall be called extraordinary general meeting. Extraordinary General Meeting

63. The Board may, whenever it thinks fit, call an extraordinary general meeting. Powers of Board to call Extraordinary General Meeting

PROCEEDINGS AT GENERAL MEETING

64. (1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Presence of Quorum

(2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant. Business confined to election of Chairperson whilst chair vacant

(3) The quorum for a general meeting shall be as provided in the Act. Quorum for general meeting

65. The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company. Chairperson of the meetings

66. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect any one of the directors present to be Chairperson of the meeting. Directors to elect a Chairperson

67. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting. Members to elect a Chairperson

68. On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote. Casting vote of Chairperson at general meeting

69. (1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered. Minutes of proceedings of meetings and resolutions passed by postal ballot

(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting- Certain matters not to be included in Minutes

a) is, or could reasonably be regarded, as defamatory of any person; or

b) is irrelevant or immaterial to the proceedings; or

c) is detrimental to the interests of the Company.

Discretion of Chairperson in relation to Minutes

(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

Minutes to be evidence

(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

Inspection of minute books of general meeting

70. (1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

a) be kept at the registered office of the Company; and

b) be open to inspection of any member without charge, during the business hours on all working days.

Members may obtain copy of minutes

(2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that be half to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above:

PROVIDED THAT a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

Powers to arrange security at meetings

71. The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

ADJOURNMENT OF MEETING

Chairperson may adjourn the meeting

72. (1) The Chairperson may, suo motu, adjourn the meeting from time-to-time and from place to place.

Business at adjourned meeting

(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Notice of adjourned meeting

(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

Notice of adjourned meeting not required

(4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

Entitlement to vote on show of hands and on poll

73. Subject to any rights or restrictions for the time being attached to any class or classes of shares -

a) on a show of hands, every member present in person shall have one vote; and

b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company

Voting at meeting

74. A member may exercise his vote at a meeting by electronic means or ballot

or polling paper (as may be provided by the Company) in accordance with the Act and shall vote only once.

75. (1) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

Vote of joint holders

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

Seniority of names

76. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any of his guardians.

How members non - composment is and minor may vote

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

Votes in respect of shares of deceased or insolvent members, etc.

78. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

Business may proceed pending poll

79. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.

Restriction on voting rights

80. Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

Equal rights of members

PROXY

81. (1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

Member may vote in person or otherwise

(2) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

Proxies when to be deposited

82. An instrument appointing a proxy shall be in the form as prescribed in the Rules.

Form of proxy

83. 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:

Proxy to be valid not withstanding death of the principal

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.

BOARD OF DIRECTORS

Board of Directors

84. Unless otherwise determined by the Company in general meeting, the number of directors shall not be less than 3 (three) and shall not be more than 15 (fifteen).

Directors not liable to retire by rotation

85. (1) Executive Chairman or Managing Director or Whole-time Director shall be a director not liable to retire by rotation. The Board shall have the power to determine the directors whose period of office is or is not liable to determination by retirement of directors by rotation.

Same individual may be Chairperson and Managing Director, Whole-time Director/Chief Executive Officer

(2) The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Whole-time Director or Chief Executive Officer of the Company.

Remuneration of directors

86. (1) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

Remuneration to require members' consent

(2) The remuneration payable to the directors, including any managing or whole-time director or manager ·, if any, shall be determined, in accordance with and subject to the provisions of the Act, by an ordinary resolution passed by the Company in general meeting.

Travelling and other expenses

(3) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-

a) in attending , and returning from meetings of the Board of Directors or any committee there of or general meetings of the Company; or

b) in connection with the business of the Company.

Execution of negotiable instruments

87. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

Appointment of additional directors

88. (1) Subject to the provisions of the Act, the Board shall have power at any time, and from time-to-time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

Duration of office of additional director

(2) Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.

Appointment of alternate director

89. (1) The Board may appoint an alternate director to act for a director (hereinafter in this Article called "the Original Director") during his absence for a period of not less than three months from India. No person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act.

Duration of office of alternate director

(2) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India.

(3) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director. Re-appointment provisions applicable to Original Director

90. (1) If the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board. Appointment of director to fill a casual vacancy

(2) The director so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated. Duration of office of Director appointed to fill casual vacancy

91. The Company may agree with any financial institution or any authority or person or State Government that in consideration of any loan or financial assistance of any kind whatsoever, which may be rendered by it to the Company, it shall till such time as the loan or financial assistance is outstanding have power to nominate one or more Directors on the Board of the Company (Nominee Director) and from time-to-time remove and reappoint such Directors and to fill in any vacancy caused by the death or resignation of such Directors otherwise ceasing to hold office. Such Nominee Directors shall not be required to hold any qualification shares nor shall they be liable to retire by rotation. Appointment of Nominee Director

92. Any trust Deed for securing debenture, debenture stock may if so arranged provide for the appointment from time-to-time by the Trustees thereof or by the holders, of the debentures or debentures stock of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture stock from time-to-time to remove any Director so appointed. The Director appointed under this Article is herein referred to as the Debenture Director and the term Debenture Director means the Director for the time being in office under this Article. The Debenture Director shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or, subject to the provision of the Act, be removed by the Company. The Trust Deed may contain such ancillary provisions as may be arranged between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained. Appointment of Debenture Directors

POWERS OF BOARD

93. The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association, Act, Rules or otherwise authorized to exercise and do and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject never the less to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being in consistent with the memorandum of association and these Articles or the Act, from time-to-time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. General Powers of the Company vested in Board

94. (1) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit. When meeting to be convened

(2) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board. Who may summon Board meeting

(3) The quorum for a Board meeting shall be as provided in the Act. Quorum for Board meetings

Participation at Board meetings

(4) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

Minutes of proceedings of meetings

95. (1) The Company shall cause minutes of the proceedings of every board meeting to be prepared and signed in such manner as may be prescribed by the Act and Rules.

Certain matters not to be included in Minutes

(2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting -

a) is, or could reasonably be regarded, as defamatory of any person; or

b) is irrelevant or immaterial to the proceedings; or

c) is detrimental to the interests of the Company.

Discretion of Chairperson in relation to Minutes

(3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in the aforesaid clause.

Minutes to be evidence

(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.

Questions at Board meeting how decided

96. (1) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

Casting vote of Chairperson at Board meeting

(2) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

Directors not to act when number falls below minimum

97. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.

Who to preside at meetings of the Board

98. (1) The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

Directors to elect a Chairperson

(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

Delegation of Powers

99. (1) The Board may, subject to the provisions of the Act, form committees and delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.

Committee to conform to Board regulations

(2) Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Participation at Committee meetings

(3) The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

Chairperson of Committee

100. (1) A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.

(2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting. Who to preside at meetings of Committee

101. (1) A Committee may meet and adjourn as it thinks fit. Committees to meet

(2) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present. Questions at Committee meeting how decided

(3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote. Casting vote of Chairperson at Committee meeting

102. All acts done in any meeting of the Board or of a Committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified or that his or their appointment had terminated, be as valid as if every such director or such person had been duly appointed and was qualified to be a director. Acts of Board or Committee valid notwithstanding defect of appointment

103. Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held. Passing of resolution by circulation

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

104. Subject to the provisions of the Act

(1) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses. Chief Executive Officer, etc.

(2) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Director may be chief executive officer, etc.

REGISTERS

105. The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company only by the persons entitled thereto under the Act, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Subject to aforesaid the Board shall have a power to refuse inspection to any other person, at its discretion. Statutory registers

Foreign Register

106. The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

THE SEAL

The seal, its custody and use, affixation of seal

107. (1) The Board shall provide for the safe custody of the seal.

(2) The Seal of the Company shall be affixed to share certificate of the Company by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and in the presence of at least two directors duly authorised by the Board for this purpose and the secretary or such other person as the Board may appoint for the purpose; and such directors and the secretary or other person aforesaid shall sign every such certificate to which the seal of the Company is so affixed in their presence.

(3) On any other instrument affixing the Seal is optional unless otherwise specifically determined by the Board.

DIVIDENDS AND RESERVE

Company in general meeting may declare dividends

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

Interim dividends

109. Subject to the provisions of the Act, the Board may from time-to-time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

Dividends only to be paid out of profits

110. (1) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall at the discretion of the Board , be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time-to-time, think fit.

Carry forward of profits

(2) The Board may subject to provisions of the Act also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Division of profits

111. (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect where of the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

Payments in advance

(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

Dividends to be apportioned

(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms

providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

112. (1) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company. No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom

(2) The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause herein before contained, entitled to become a member, until such person shall become a member in respect of such shares. Retention of dividends

113. (1) A dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Dividend how remitted

(2) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

(3) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made. Discharge to Company

114. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share. Receipt of one holder sufficient

115. No dividend shall bear interest against the Company. No interest on dividends

116. The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board. Waiver of dividends

ACCOUNTS

117. (1) The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act and the Rules. Inspection by Directors

(2) No member (not being a director) shall have any right of inspecting any books of account or books and papers or document of the Company except as conferred by law or authorized by the Board. Restriction on inspection by members

WINDING-UP

118. Subject to the provisions of the Act and the Rules made thereunder - Winding up of Company

a) If the Company shall be wound-up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY AND INSURANCE

Directors' and officers' right to indemnity

119. (1) Subject to the provisions of the Act, every Director, Managing Director, Whole-Time Director, Manager, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity including expenses.

(2) Subject as aforesaid, every Director, Managing Director, Manager, Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Insurance

(3) The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

POWERS OF THE COMPANY

General Power

120. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

We, the several persons whose names, addresses and occuptions are hereunder subscribed, are desirous of being formed into a Company in pursuance of these Articles of Association.

Name, Address, Description & Occupation of Subscribers	Name, Address, Description & Occupation of Witness
1. Sd/- Chakrapani Investments and Trades Limited C/o. Kalyani Steels Limited Mundhwa, Pune – 411 036 Occupation : Business	Witness to All Mr. Sridhar Mudliar, S/o. Mr. Gopalkrishna Mudliar 22A, Hanuman Nagar, Pune – 411 016 Occ.: Company Secretary
2. Sd/- Mrs.Deepti Rajeev Puranik W/o. Mr. Rajeev Puranik 1 Akashdarshan, 76 Rambaug Colony, Paud Road, Pune 411 038 Occupation : Service	
3. Sd/- Mr. Mangesh Vasant Kandharkar S/o. Mr. Vasant Kandharkar A 2/4 Sarita Vaibhav, Behind Old Vittalwadi, Jakat Naka Sinhgad Road, Pune - 41 1 030 Occupation : Service	
4. Sd/- Ms.Kalpana Chandrakant Ghag D/o. Mr. Chandrakant Ghag 109, Shirishchandra Hsg. Society, Viman Nagar, Pune 411 014 Occupation : Service	
5. Sd/- Mr. Prashant Pabhakar Bhave S/o. Mr. Pabhakar Bhave Flat No. 501, Prestige Corner, Plot No.32, Shailesh Hsg. Society, 39/2, 40/2, Karvenagar, Pune – 411 052 Occupation : Service	
6. Sd/- Mr. Viraj Vasant Pandit S/o. Mr. Vasant Pandit Shamsundar Apartment, Anand Nagar, Off. Sinhagad Road, Pune – 411 051 Occupation : Service	
7. Sd/- Mr. Harish Sadashiv Shingade S/o. Mr. Sadashiv Shingade A14, Chintamani Residency, Chaitraban, Near State Bank Nagar Colony, Bibwewadi, Pune – 411 037 Occupation : Service	

Dated at Pune this 18th day of June, 2009

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGIONAL CIVIL JURISDICTION

COMPANY SCHEME PETITION NO 19 OF 2010

CONNECTED WITH

COMPANY APPLICATION NO 1295 OF 2009

Chakrapani Investments & Trades Limited

.....Petitioner/First Amalgamating Company

AND

COMPANY SCHEME PETITION NO 20 OF 2010

CONNECTED WITH

COMPANY APPLICATION NO 1296 OF 2009

Surajmukhi Investment & Finance Limited

....Petitioner/Second Amalgamating Company

AND

COMPANY SCHEME PETITION NO 21 OF 2010

CONNECTED WITH

COMPANY APPLICATION NO 1297 OF 2009

Gladiolla Investments Limited

.....Petitioner/Third Amalgamating Company

COMPANY SCHEME PETITION NO 22 OF 2010

CONNECTED WITH

COMPANY APPLICATION NO 1298 OF 2009

Kalyani Investment Company Limited

...Petitioner/Resulting Company

COMPANY SCHEME PETITION NO 40 OF 2010

CONNECTED WITH

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HIGH COURT, BOMBAY

0147107

COMPANY APPLICATION NO 1294 OF 2009

Kalyani Steels Limited

....Petitioner/Demerged Company

In the matter of Sections 100, 391 & 394 of Companies Act, 1956

AND

In the matter of Scheme of Arrangement between Kalyani Steels Limited and Chakrapani Investments & Trades Limited and Surajmukhi Investment & Finance Limited and Gladiolla Investments Limited and Kalyani Investment Company Limited and their respective Shareholders

Mr. Hemant Sethi i/b Hemant Sethi & Co. advocates for Petitioner

Mr. C.J Joy i/b Shri S.K. Mohapatra for the Regional Director in all the Petitions.

Mr. P. Rama Rao, Official Liquidator in Company Scheme Petition No. 19 of 2010; Company Scheme Petition No. 20 of 2010 & Company Scheme Petition No 21 of 2010.

CORAM : S.J. KATHAWALLA J

DATE: 12TH MARCH 2010

P.C

1. Heard the learned counsel for parties.
2. The sanction of the Court is sought to a Composite Scheme of Arrangement ("the Scheme") presented under Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Companies Act, 1956, for demerger of the 'Investment Division' of

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Kalyani Steels Limited ("Kalyani Steels") into Kalyani Investment Company Limited ("Kalyani Investment") and amalgamation of Chakrapani Investments & Trades Limited ("Chakrapani") and Surajmukhi Investment & Finance Limited ("Surajmukhi") and Gladiolla Investments Limited ("Gladiolla"), with Kalyani Investment Company Limited ("Kalyani Investment"), and reduction of Equity Share Capital of Kalyani Steels Limited.

3. Counsel appearing on behalf of the Petitioners have stated that they have complied with all the requirements as per directions of this Hon'ble Court and they have filed necessary affidavits of compliance in the Court. Moreover, Petitioner Companies undertakes to comply with all statutory requirements, if any, as required under the Companies Act, 1956 and the rules made there under. Undertaking is accepted.

4. The Regional Director has filed his affidavit in reply and has stated in paragraph 6(a) to (e) thereof that:-

(a) The Transferee Company(Resulting Company) and all the three Transferor Companies being NBFC company shall file copy of the order of the Hon'ble High Court approving the Scheme with the Reserve Bank of India.

(b) The Resulting Company shall comply with SEBI/Stock Exchange Guidelines in so far as listing of new shares proposed to be issued.

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(c) With reference to clause 25.1 of the Scheme it is submitted that the Demerged Company shall not utilised the "Capital Adjustment Account" for the purpose of distributing Dividend and to that extent Company vide letter dated 19/02/2010 has submitted its undertaking which is enclosed vide Exhibit-'D'.

(d) The Registrar of Companies, Pune in his report (Exhibit-A) in para 29 has made observations in respect of violation of section 283A/269 of the Companies Act, 1956, as regards to non appointment of whole time company secretary and whole time director/Managing Director respectively by the amalgamating Company /transferor companies. The Demerged (holding Company) has given undertaking vide its letter dated 19/02/2010 which is enclosed as Exhibit-'E' to comply with the same by the Resulting Company on amalgamation of Transferor Companies with Resulting Company.

5. The Petitioner Companies through their counsel undertakes to comply with all the aforesaid requisitions as stated in paragraph 6 of affidavit of Regional Director. The said undertakings are accepted.

6. Save as aforesaid, the Scheme does not appear to be prejudicial to the interest of shareholders and public.

7. The Official Liquidator has filed report stating that the affairs of the Petitioner/Amalgamating Companies have been conducted in a proper manner and that the said Companies may be ordered to be wound up.

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8. Upon perusal of the entire material on record, the Scheme appears to be fair and reasonable and is not violative of any provisions of law and is not contrary to any public policy.

9. There is no objection to the Scheme and since all the requisite statutory compliances have been fulfilled, Company Scheme Petition No 19 of 2010; Company Scheme Petition No 20 of 2010 and Company Scheme Petition No. 21 of 2010 & Company Scheme Petition No. 22 of 2010 are made absolute in terms of prayer clause (a). Company Scheme Petition No 40 of 2010 is made absolute in terms of prayer clauses (a) to (d) of the Petition.

10. The Petitioners to lodge copy of this order and the Scheme duly authenticated by the Company Registrar, High Court, (O.S) Bombay with the concerned Superintendent of Stamps for the purpose adjudication of stamp duty, payable, if any, on the same within 60 days from the date of order.

11. The Petitioners in all the petitions to pay cost of Rs. 7500/- each to the Regional Director Petitioners in Company Scheme Petition No. 19 of 2010; Company Scheme Petition No. 20 of 2010 and Company Scheme Petition No. 21 of 2010 to pay cost of Rs 7500/- each to the Official Liquidator.

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12. Cost to be paid within four weeks from today. Petitioner to comply with statutory compliances, applicable, if any.

13. Filing and issuance of the drawn up order is dispensed with. All concerned authorities to act on a copy of this order, the Scheme and form of minutes duly authenticated by Company Registrar, High Court, (O.S), Bombay.

(S.J. KATHAWALLA J)

TRUE COPY
SSM 17/3/10
for Section Officer
High Court, AppellateSide
Bombay

TRUE-COPY
23/03/10
M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

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COMPOSITE SCHEME OF ARRANGEMENT BETWEEN KALYANI STEELS LIMITED AND CHAKRAPANI INVESTMENTS & TRADES LIMITED AND SURAJMUKHI INVESTMENT & FINANCE LIMITED AND GLADIOLLA INVESTMENTS LIMITED AND KALYANI INVESTMENT COMPANY LIMITED AND THEIR RESPECTIVE SHAREHOLDERS

Under Sections 391 to 394 of the Companies Act, 1956

Preamble

This Composite Scheme ("the Scheme") is presented under Sections 391 to 394 read with Sections 100 to 103 and other relevant provisions of the Companies Act, 1956, for demerger of the 'Investment Division' of Kalyani Steels Limited ("Kalyani Steels") into Kalyani Investment Company Limited ("Kalyani Investment"), and amalgamation of Chakrapani Investments & Trades Limited ("Chakrapani") and Surajmukhi Investment & Finance Limited ("Surajmukhi") and Gladiolla Investments Limited ("Gladiolla"), with Kalyani Investment Company Limited ("Kalyani Investment"), and reduction of Equity Share Capital of Kalyani Steels Limited, respectively and for various other matters consequential, supplemental and / or otherwise integrally connected therewith.

- **Part I** – which deals with the Definitions and Share Capital;
- **Part II** – which deals with demerger of Investment Division of Kalyani Steels Limited;
- **Part III** – which deals with amalgamation of Chakrapani Investments & Trades Limited and Surajmukhi Investment & Finance Limited and Gladiolla Investments Limited with Kalyani Investment Company Limited;
- **Part IV** - which deals with the reduction of Equity Share Capital of Kalyani Steels Limited;
- **Part V** - which deals with Listing of Equity Shares of Kalyani Investment Company Limited;
- **Part VI** - which deals with the general terms and conditions that would be applicable to the Scheme.

PART - I

Definitions and Share Capital

1. **DEFINITIONS**

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

1.1 "**Act**" or "**the Act**" means the Companies Act, 1956 or any statutory modification or re-enactment thereof for the time being in force.

1.2 "**Amalgamation**" means the amalgamation of Chakrapani Investments & Trades Limited and Surajmukhi Investment & Finance Limited and Gladiolla Investments Limited with Kalyani Investment Company Limited as set out in Part III hereof.

1.3 "**Demerger**" means Demerger of 'Investment Division' of Kalyani Steels Limited into Kalyani Investment Company Limited as set out in Part II hereof.

1.4 "**Appointed Date**" for the purpose of this Scheme and for Income Tax Act, 1961, means October 1, 2009.

1.5 "**High Court**" means the High Court of Judicature at Bombay.

1.6 "**Kalyani Steels**" **or** "**Demerged Company**" means Kalyani Steels Limited, a company incorporated under the provisions of Companies Act, 1956, having its Registered office at Mundhwa, Pune 411036.

1.7 "**Kalyani Investment**" **or** "**Resulting Company**" **or** "**Transferee / Amalgamated Company**" means Kalyani Investment Company Limited, a company incorporated under the provisions of Companies Act, 1956, having its Registered Office at Mundhwa, Pune 411036.

1.8 "**Chakrapani**", **or** "**First Transferor**" **or** "**First Amalgamating Company**" means Chakrapani Investments & Trades Limited, a company incorporated under the provisions of Companies Act, 1956, having its Registered Office at Mundhwa, Pune 411036.

1.9 "**Surajmukhi**" **or** "**Second Transferor**" **or** "**Second Amalgamating Company**" means "Surajmukhi Investment & Finance Limited", a company incorporated under the provisions of Companies Act, 1956, having its Registered Office at Mundhwa, Pune 411036.

1.10 "**Gladiolla**" **or** "**Third Transferor**" **or** "**Third Amalgamating Company**" **means** Gladiolla Investments Limited, a company incorporated under the provisions of Companies Act, 1956, having its Registered Office at Mundhwa, Pune 411036. ("Chakrapani", "Surajmukhi" and "Gladiolla" collectively referred as "Transferor / Amalgamating Companies")

1.11 "**Preference Shares**" means 14% Non-Cumulative Redeemable Preference Shares of Rs.10/- each to be issued and allotted by Kalyani Investment under this Scheme, the terms of which are specified in Schedule 'A' hereto.

1.12 "**Scheme**" **or** "**the Scheme**" **or** "**this Scheme**" means this Scheme of Arrangement in its present form submitted to the High Court of Judicature at Bombay for sanction with any modification(s) approved or imposed or directed by the shareholders of the respective companies or the High Court.

1.13 "**Effective Date**" means the last of the dates on which the sanctions, approvals or orders specified in Clause 29 of this Scheme are obtained and the later of the date on which the authenticated / certified copy of the Order of the High Court of Judicature at Bombay is filed with the Registrar of Companies, Maharashtra (Pune) by the respective companies.

1.14 "**Record Date**" means the date to be fixed by the Board of Directors of Kalyani Steels for the purpose of issue of Equity Shares of Kalyani Investment as per this Scheme.

1.15 "**Record Date for Re-organisation of Capital**" means the date to be fixed by the Board of Directors of Kalyani Steels for the purpose of Re-organisation of Capital of Kalyani Steels.

1.16 "**Investment Division**" shall mean the investment business undertaking of Demerged Company, excluding the investments in Hospet Steels Limited, Bharat NRE Coke Limited, Kalyani Mukand Limited and Lord Ganesha Minerals Private Limited held by the Demerged Company on account of strategic alliance for reaping long lasting benefits for its Manufacturing Activity and includes :

1.16.1 All assets (whether movable or immovable, real or personal, corporeal or incorporeal, present, future or contingent) and liabilities pertaining thereto.

1.16.1.1 Without prejudice to the generality of the provisions of sub-clause 1.16.1 above, the Investment Division shall include in particular :

(i) All property of and required for the above business wherever situated, including all immoveable property, current assets, funds, furniture, fixtures, office equipment, appliances, accessories;

(ii) All permits, rights, entitlements, industrial and other licenses, bids, tenders, letters of intent, expressions of interest, municipal and other statutory permissions, approvals, consents, licenses, registrations, subsidies, concessions, exemptions, remissions, tax deferrals, tenancies in relation to office, bank accounts, lease rights, licenses, powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Investment Division;

(iii) Debts, duties, obligations, and liabilities (including contingent liabilities) relatable to the Investment Division, except for the deferred payment liability towards purchase of shares.

For the purpose of this Scheme, it is clarified that liabilities pertaining to the Investment Division include :

(a) The liabilities, which arise out of the activities or operations of the Investment Division.

(b) Specific loans and borrowings raised, incurred and utilised solely for the activities or operations of the Investment Division.

(c) Liabilities other than those referred to in sub-clauses (a) and (b) above, being the amounts of general or multipurpose borrowings of Kalyani Steels, allocated to the Investment Division in the same proportion in which the value of the assets transferred under this Scheme bear to the total value of the assets of Kalyani Steels immediately before giving effect to this Scheme.

1.16.2 All permanent employees of the Investment Division, as identified by the Board of Directors of Kalyani Steels, as on the Effective Date.

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

1.17 **"Remaining Business"** means all the business of Kalyani Steels remaining with Kalyani Steels after transfer of the 'Investment Division' pursuant to Clause 3 of the Scheme.

1.18 **"Undertakings of "Chakrapani", "Surajmukhi" and "Gladiolla"** shall mean and include :

1.18.1 All the assets and properties (whether moveable or immoveable, tangible and intangible, real or personal, corporeal or incorporeal, present, future or contingent) of "Chakrapani", "Surajmukhi" and "Gladiolla", including, without being limited to, plant and machinery, equipments, buildings and structures, offices, residential and other premises, capital work-in-progress, furniture, fixtures, office equipments, appliances, accessories, power lines, depots, deposits, all stocks, stocks of fuel, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash balances with banks, loans, advances, contingent rights or benefits, receivables, earnest monies, advances or deposits paid by "Chakrapani", "Surajmukhi" and "Gladiolla", financial assets, leases (including lease rights), hire purchase contracts and assets, landing contracts, rights and benefits under any contracts, benefits of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and / or residential properties for the employees or the other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copy rights, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties, or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages of whatsoever nature and wheresoever situate belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by "Chakrapani", "Surajmukhi" and "Gladiolla" or in connection with or relating to that "Chakrapani", "Surajmukhi" and "Gladiolla" and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by "Chakrapani", "Surajmukhi" and "Gladiolla", whether in India or abroad;

1.18.2 All secured and unsecured debts, (whether in Indian rupees or foreign currency) liabilities (including contingent liabilities, if any), duties and obligations of "Chakrapani", "Surajmukhi" and "Gladiolla" of every kind, borrowings, bills payable, interest accrued and all other debts, duties, undertakings, contractual obligations, guarantees given and obligations of "Chakrapani", "Surajmukhi" and "Gladiolla" of every kind, nature and description whatsoever and howsoever;

1.18.3 All agreements, rights, contracts, entitlements, permits, licenses, pre-qualifications relating to the business of "Chakrapani", "Surajmukhi" and "Gladiolla", approvals, authorisations, concessions, consents, quota rights, fuel linkages, engagements, arrangements, authorities, allotments, security arrangements, benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor / Amalgamating Company's business activities and operations;

1.18.4 All intellectual rights, records, files, papers, computer programmes, manuals, data, catalogues, sales and advertising materials, lists and other details of present and former customers and suppliers, customer credit information, customer and supplier pricing information and all other records and documents relating to the "Chakrapani", "Surajmukhi" and "Gladiolla" business activities and operations;

1.18.5 All employees engaged in or relating to business activities and operations of "Chakrapani", "Surajmukhi" and "Gladiolla";

1.18.6 Without prejudice to the generality of Sub-clause 1.18.1, 1.18.2, 1.18.3, 1.18.4, and 1.18.5 above, the Undertakings of "Chakrapani", "Surajmukhi" and "Gladiolla" shall include all the assets of Transferor / Amalgamating Companies including claims or obligations, certifications / permissions of whatsoever nature directly or indirectly pertaining to the business of export of the past, present or future products, including those relating to employees and technical know-how agreement, if any, or otherwise with any person institution / company or any association anywhere in the world, enactments, lease-hold rights and, systems of any kind whatsoever, rights and benefits of all agreements and other interests including rights and benefits under various schemes of different Taxation and other Laws may belong to or be available to Transferor / Amalgamating Companies, rights and powers of every kind, nature and description of whatsoever probabilities, liberties, and approval of, whatsoever nature and wherever situated.

1.19 The words importing the singular include the plural; words importing any gender include every gender.

1.20 Any word or expression used and not defined in the Scheme but defined in the Act shall have meaning respectively assigned to them in the Act.

2. SHARE CAPITAL

2.1 The Share Capital of Kalyani Steels as on the date, the Scheme being approved by the Board of Directors is as under :

Authorised :

47,500,000	Equity Shares of Rs.10/- each	475,000,000
3,010,000	Cumulative Redeemable Preference Shares of Rs.100/- each	301,000,000
2,400,000	Unclassifed Shares of Rs.10/- each	24,000,000
	Total	800,000,000

Issued :

43,759,380	Equity Shares of Rs.10/- each	437,593,800
	Total	437,593,800

Subscribed & Paid up :

43,653,060	Equity Shares of Rs.10/- each fully paid up	436,530,600
	Total Subscribed and fully paid up	436,530,600
106,320	Add : Forfeited Equity Shares (Amount Paid up)	379,067
	Total	436,909,667

2.2 The Share Capital of Chakrapani as on the date, the Scheme being approved by the Board of Directors is as under :

Authorised :

999,200	Equity Shares of Rs.100/- each	99,920,000
200,000	12% Cumulative Redeemable Preference Shares of Rs.100/- each	20,000,000
800,800	6% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	80,080,000
	Total	200,000,000

Issued, Subscribed & Paid up :

999,200	Equity Shares of Rs.100/- each fully paid up	99,920,000
720,000	6% Non-Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	72,000,000
	Total	171,920,000

2.3 The Share Capital of Surajmukhi as on the date, the Scheme being approved by the Board of Directors is as under :

Authorised :

9,992,000	Equity Shares of Rs.10/- each	99,920,000
2,000,000	12% Cumulative Redeemable Preference Shares of Rs.10/- each	20,000,000
8,008,000	6% Non-Cumulative Redeemable Preference Shares of Rs.10/- each	80,080,000
	Total	200,000,000

Issued, Subscribed & Paid up :

7,695,230	Equity Shares of Rs.10/- each fully paid up	76,952,300
7,200,000	6% Non-Cumulative Redeemable Preference Shares of Rs.10/- each fully paid up	72,000,000
	Total	148,952,300

2.4 The Share Capital of Gladiolla as on the date, the Scheme being approved by the Board of Directors is as under :

Authorised :

6,912,000	Equity Shares of Rs.10/- each	69,120,000
600,000	12% Cumulative Redeemable Preference Shares of Rs.100/- each	60,000,000
1,408,800	4% Non-Cumulative Redeemable Preference Shares of Rs.100/- each	140,880,000
	Total	270,000,000

Issued, Subscribed & Paid up :

5,981,002	Equity Shares of Rs.10/- each fully paid up	59,810,020
1,400,000	4% Non-Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	140,000,000
	Total	199,810,020

2.5 The Share Capital of Kalyani Investment as on the date, the Scheme being approved by the Board of Directors is as under :

Authorised :

5,000,000	Equity Shares of Rs.10/- each	50,000,000
	Total	50,000,000

Issued, Subscribed & Paid up :

50,000	Equity Shares of Rs.10/- each fully paid up	500,000
	Total	500,000

PART II

3. DEMERGER OF INVESTMENT DIVISION OF KALYANI STEELS TO KALYANI INVESTMENT

a. Upon this Scheme coming into effect and with effect from the Appointed Date and subject to the provisions of this Scheme, the entire Investment Division shall, pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Act, without any further act, instrument or deed, be transferred to and vested in or be deemed to have been transferred to and vested in Resulting / Transferee Company, as a going concern in accordance with Section 2(19AA) of the Income Tax Act, 1961, so as to vest in Resulting / Transferee Company all the rights, title and interest of Demerged Company in the 'Investment Division', subject to subsisting charges and pledges, if any, in the following manner :

i. All assets wherever situated, whether movable or immovable, tangible or intangible, investments, interest, furniture, fixtures, office equipments, appliances, computers, accessories, licenses, permits, quotas, approvals, registrations, lease, tenancy rights in relation to office if any, municipal permissions, consents or powers of every kind, nature and description whatsoever in connection with operating or relatable to the Investment Division of the Demerged Company and all other permissions, rights (including rights under any contracts, government contracts, memorandum of understanding, etc.), entitlements, copyrights, patents, trade marks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest exclusively relating to the services being dealt with by the Investment Division, and all deposits, advances and or moneys paid or received by the Demerged Company in connection with or pertaining or relatable to the Investment Division, all statutory licenses and / or permissions to carry on the operations of the Investment Division and any financial assets, corporate guarantees issued by the Demerged Company and the benefits of any bank guarantees issued in relation to and for the benefit of the Investment Division of the Demerged Company, deferred tax benefits, privileges, all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones telexes, facsimile connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Investment Division of the Demerged Company together with all present and future liabilities (including contingent liabilities), etc. pertaining or relatable to the Investment Division.

ii. With effect from the Appointed Date, the liabilities of Demerged Company relatable to the 'Investment Division' shall, without any further act or deed be and shall stand transferred to Resulting Company so as to become as from the Appointed Date, the liabilities of Resulting 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 liabilities have arisen in order to give effect to the provisions of this sub-clause. After the Effective Date, Resulting Company undertakes to meet, discharge and satisfy the said liabilities remaining unpaid to the exclusion of Demerged Company and to keep Demerged Company indemnified at all times from and against all such liabilities and from and against all actions, demands and proceedings in respect thereto.

iii. The transfer and vesting of 'Investment Division' of the Demerged Company as aforesaid shall be subject to the existing securities, charges, mortgages and other encumbrances if any, subsisting over or in respect of the property and assets or any part thereof relatable to 'Investment Division'.

iv. This Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme is / are inconsistent with the provisions of Section 2(19AA) of the Income Tax Act, 1961, the provisions of Section 2 (19AA) of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2(19AA) of the Income Tax Act, 1961; such modification to not affect other parts of the Scheme.

4. **ISSUE OF SHARES BY RESULTING COMPANY TO DEMERGED COMPANY'S SHAREHOLDERS**

a. Upon this Scheme coming into effect, the Resulting Company shall, without any further application or deed, issue and allot to every member of Demerged Company, holding fully paid up equity shares in Demerged Company and whose names appear in the Register of Members of Demerged Company on the Record Date, in respect of every 10 (Ten) Equity Shares of the face value of Rs.10/- each fully paid up held by such members in Demerged Company, 1 (One) Equity Share of the face value of Rs.10/- each of Resulting Company credited as fully paid up with rights attached thereto (the **"Resulting Company Equity Shares"**) as under :

i. The Resulting Company's Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of Resulting Company.

ii. The Resulting Company will make an application for approval, if applicable or filings to Foreign Investment Promotion Board / Reserve Bank of India / authorized dealer or appropriate authority, for its approval under the provisions of the Foreign Exchange Management Act, 1999 for the issue and allotment of Equity Shares in the Resulting Company to the non-resident shareholder of the Demerged Company in accordance with the provisions of the Scheme.

iii. In case any member's holding in Demerged Company is such that the member becomes entitled to a fraction of an Equity Share in the Resulting Company, the Resulting Company shall not issue fractional share certificates to such member but shall consolidate such fractions and issue consolidated Equity Shares to separate trustees nominated by the Resulting Company in that behalf, who shall sell such shares at prevailing market prices within a reasonable time frame after the allotment and distribute the net sale proceeds (after deduction of tax, if applicable) to the members in proportion to their fractional entitlements.

The Shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing / trading permission is given by the designated Stock Exchange(s).

c. There shall not be change in the shareholding pattern or control in the Resulting Company between the record date and the listing which may affect the status of Stock Exchange approval to the Scheme.

5. **ACCOUNTING TREATMENT IN BOOKS OF RESULTING COMPANY ON DEMERGER**

i. Resulting Company shall, upon the Scheme becoming operative, record the transfer of assets and liabilities of the Investment Division pursuant to this Scheme, at their book values.

ii. Resulting Company shall credit its Share Capital Account with the aggregate face value of the Resulting Company's Equity Shares issued by it to the members of Demerged Company pursuant to this Scheme.

iii. The excess of assets of the Investment Division as on the Appointed Date over the (i) book value of the liabilities of the Investment Division as on the Appointed Date and (ii) paid up value of the Equity Shares issued to the shareholders of Demerged Company i.e. share capital account remaining after recording the aforesaid entries, shall be credited by Resulting Company to its General Reserve. All such amounts standing to the credit of General Reserve shall constitute the Resulting Company's free reserves available for distribution, as if the same were created by the Resulting Company out of its own earned and distributable profits and accordingly, shall be treated as part of the net worth of the Resulting Company.

iv. Any cost incurred by the Resulting Company for the purpose of executing this Scheme, not restricted to the costs specified in Clause 31 hereinafter, shall be debited to the General Reserve.

v. Any balances, inter-se between the Investment Division and the Resulting Company shall stand cancelled upon the Scheme becoming effective.

6. **ACCOUNTING TREATMENT IN BOOKS OF DEMERGED COMPANY ON DEMERGER**

a. Upon the coming into effect of this Scheme, with effect from the Appointed Date, the accoun representing the assets and liabilities of the Investment Division shall stand closed and transferred the Resulting Company.

b. The difference between the amount of assets over the amount of liabilities, of the Investment Divisi so transferred in the Resulting Company, shall be charged, to Capital Redemption Reserve Accoun to the extent available, followed by the Securities Premium Account, to the extent available, followe by the General Reserve, to the extent available and the balance, if any, to the balance in Profit ar Loss account in the books of the Demerged Company.

c. Any cost incurred by the Demerged Company for the purpose of executing this Scheme, not restrict to the costs specified in Clause 31 hereinafter, shall be debited to the General Reserve.

7. **BUSINESS AND PROPERTY IN TRUST FOR RESULTING COMPANY**

During the period between the Appointed Date and the Effective Date :

i. Demerged Company shall be deemed to have held and stood possessed of and shall hold and sta possessed of the assets of the 'Investment Division' for and on account of and in trust for Resulti Company.

ii. All the profits or income accruing or arising to Demerged Company, including dividends, or expenditu or losses arising or incurred by Demerged Company on account of the 'Investment Division', shall f all purposes be treated and deemed to accrue as the profits or income or expenditure or losses (a the case may be) of Resulting Company.

iii. Demerged Company shall not utilise the profits or income, if any, relating to the 'Investment Divisio for the purpose of declaring or paying any dividend or for any other purpose in respect of the peri falling on and after the Appointed Date, without the prior written consent of the Board of Directo of Resulting Company.

iv. As and from the date of acceptance of this Scheme by the Board of Directors of Demerged an Resulting Companies and till the Effective Date, Demerged Company shall not alienate, char mortgage, encumber or otherwise deal with the assets of 'Investment Division' or any part th without the prior written concurrence of the Board of Directors of Resulting Company.

8. **LEGAL PROCEEDINGS**

a. From the Effective Date, all legal or other proceedings (including before any statutory or quasi-ju authority or tribunal) ("Proceedings") by or against the Demerged Company under any statute, wheth pending on the Appointed Date, or which may be instituted any time in the future and in each cas relating to the Investment Division shall be continued and enforced by or against the Resultin Company after the Effective Date, to the extent legally permissible. To the extent, such Proceeding cannot be taken over by the Resulting Company, the Proceedings shall be pursued by the Demerge Company as per the instructions of and entirely at the costs and expenses of the Resulting Compan

b. If the Proceedings are taken against the Demerged Company as referred to in Clause (a) above, shall defend the same in accordance with the advice of the Resulting Company and at the cost the Resulting Company, and the later shall reimburse and indemnify and hold harmless the Demerge Company against all liabilities and obligations incurred by the Demerged Company in respect thereo

9. **CONTRACTS, LICENSES, APPROVALS & PERMITS**

a. With effect from the Effective Date and subject to the provisions of this Scheme, all contracts, deeds bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation t the Investment Division to which the Demerged Company is a party or to the benefit of which th Demerged Company may be eligible, and which are subsisting or having effect immediately before th Effective Date, shall be in full force and effect on or against or in favour, as the case may be, o the Resulting Company and may be enforced as fully and effectually as if, instead of the Demerge Company, the Resulting Company had been a party or beneficiary or obligee thereto.

b. Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the Investment Division with the Resulting Company occurs by virtue of this Scheme itself, the Resulting Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement to which the Demerged Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Demerged Company will, if necessary, also be a party to the above. The Resulting Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Demerged Company and to carry out or perform all such formalities or compliances referred to above on the part of the Demerged Company to be carried out or performed.

c. For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that with effect from the Effective Date, all consents, permissions, licenses, certificates, authorities given by, issued to or executed in favour of the Demerged Company shall stand transferred to the Resulting Company as if the same were originally given by, issued to or executed in favour of the Resulting Company, and the rights and benefits under the same shall be available to the Resulting Company.

d. It is hereby clarified that if any contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Investment Division to which the Demerged Company is a party to, cannot be transferred to the Resulting Company for any reason whatsoever, the Demerged Company shall hold such contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Resulting Company.

10. EMPLOYEES

a. With effect from the Effective Date :

i. All the employees of the Demerged Company who are part of the Investment Division shall stand transferred to the Resulting Company on the same terms and conditions on which they are engaged by the Demerged Company, (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident fund plans, superannuation plans and any other retirement benefits) without any interruption in service as a result of transfer of the Investment Division of the Demerged Company to the Resulting Company.

ii. The Resulting Company agrees that the services of all such employees (as mentioned in Clause 10 (a)(i) above) with the Demerged Company prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans, provident fund plans, superannuation plans and any other retirement benefits and accordingly, shall be reckoned therefor from the date of their respective appointment in the Demerged Company.

iii. It is expressly provided that, on the Scheme becoming effective, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the employees of Investment Division shall be deemed to have been created by the Resulting Company in place of the Demerged Company for all purposes whatsoever in relation to the administration or operation of such fund or funds or in relation to the obligation to make contributions to the said fund or funds in accordance with the provisions thereof as per the terms provided in the respective trust deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to such fund or funds shall become those of the Resulting Company.

11. SAVING OF CONCLUDED TRANSACTIONS

a. The transfer and vesting of the assets, liabilities and obligations of the Investment Division as per this Scheme and the continuance of the Proceedings by or against the Resulting Company under Clause 8 hereof shall not affect any transaction or proceedings already completed by the Demerged Company on or before the Appointed Date to the end and intent that the Resulting Company accepts all acts, deeds and things done and executed by and / or on behalf of the Demerged Company as acts deed and things done and executed by and on behalf of the Resulting Company.

12. **REMAINING BUSINESS**

a. The Remaining Business and all the assets, liabilities and obligations pertaining thereto shall continu to belong to and be vested in and be managed by the Demerged Company.

b. Any legal or other proceedings by or against the Demerged Company under any statute, whethe pending on the Appointed Date or which may be instituted in future whether or not in respect of an matter arising before the Effective Date and relating to the Remaining Business (including thos relating to any property, right, power, liability, obligation or duties of the Demerged Company i respect of the Remaining Business) shall be continued and enforced by or against the Demerge Company, which shall keep the Resulting Company fully indemnified in that regard. The Resultin Company shall in no event be responsible or liable in relation to any such legal or other proceedin against the Demerged Company.

PART-III

AMALGAMATION OF BUSINESS OF CHAKRAPANI, SURAJMUKHI AND GLADIOLLA WITH KALYANI INVESTMENT

After giving effect to Part-II of the Scheme :

13. **TRANSFER AND VESTING**

13.1 Upon the coming into effect of this Scheme and with effect from the opening of business as on th Appointed Date, the Undertakings of "Chakrapani" "Surajmukhi" and "Gladiolla", shall, pursuant to Sectio 394 (2) of the Act, without any further act, instrument or deed, but subject to the Liabilities, be and stan transferred to and vested in and / or be in the Transferee / Amalgamated Company as a going concern s as to become as and from the Appointed Date, estate, assets, rights, title, interest, and authorities of th Transferee / Amalgamated Company under the provisions of Sections 391 and 394 of the Act.

13.2 Without prejudice to Clause 13.1 above, in respect of such of the Assets as are moveable assets, o incorporeal property of the Transferor / Amalgamating Companies, unless they are capable of being trans otherwise, shall be physically handed over by manual delivery or by endorsement and / or delivery the Transferee / Amalgamated Company as a going concern so as to become as and from the Appointe ate the estate, rights, title and interest and authorities of the Transferee / Amalgamated Company.

13.3 In respect of such assets and movables other than those referred to above in 13.2 i.e. sundry de rs, outstanding loans, all advances recoverable in cash or in kind or for value to be received, bank balance and deposits with Government, Semi-Government, local and other authorities and bodies, etc., the same shall, without any further act, deed or instrument, be transferred to and vested in and / or be deemed to be transferred and vested in the Transferee / Amalgamated Company as and from the Appointed Date.

13.4 With effect from the Appointed Date, all the Liabilities shall, without any further act, instrument or deed, stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee / Amalgamated Company so as to become the debts, liabilities, duties, and obligations of the Transferee / Amalgamated Company as and from the Appointed Date and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to effect the provisions of this Clause. Provided always that, the Scheme shall not operate to enlarge the security for any loan, deposit or facility availed by the Transferor / Amalgamating Companies, and the Transferee / Amalgamated Company shall not be obliged to create any further or additional security therefor after the Effective Date.

13.5 It is hereby clarified that all inter party transactions between the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company shall be considered as intra party transactions for all purposes from the Appointed Date and the same shall stand cancelled post the approval of the Scheme. No interest on Inter Corporate deposit will be provided.

13.6 All assets, estate, rights, title, interest, licenses and authorities acquired by or permits, quotas, approvals, permissions, incentives, sales tax deferrals, loans or benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, rehabilitation schemes and other assets, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by and / or all rights and benefits that have accrued or which may accrue to the Transferor / Amalgamating Companies after the Appointed Date and prior to the Effective Date in connection with or in relation to the operation of the Undertaking shall, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed, be and hereby stand transferred to and vested or deemed to have been transferred to and vested in the Transferee / Amalgamated Company.

13.7 All loans, raised and utilised and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Transferor / Amalgamating Companies in relation to or in connection with the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee / Amalgamated Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of Section 394(2) of the Act, without any further act, instrument or deed, be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee / Amalgamated Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee / Amalgamated Company which shall meet, discharge and satisfy the same.

13.8 The resolutions, if any, of the Transferor / Amalgamating Companies, which are valid and subsisting on the Effective Date, shall be continued to be valid and subsisting and be considered as resolutions of the Transferee / Amalgamated Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee / Amalgamated Company.

13.9 This Scheme shall not, in any manner, affect the rights of any of the Creditors of the Transferor / Amalgamating Companies.

13.10 The Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under Section 2(1B) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from an amendment of law or for any other reason whatsoever upto the Effective Date, the provisions of the said Section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modification will however not affect the other parts of the Scheme.

14 CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

14.1 Without any further acts or deeds, upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, incentives, licenses, engagements, registrations, benefits, exemptions, entitlements, arrangements and other instruments of whatsoever nature, including all the bids and tenders which have been submitted and / or accepted, in relation to the Transferor / Amalgamating Companies to which the Transferor / Amalgamating Companies are parties or to the benefit of which the Transferor / Amalgamating Companies may be eligible and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour of, as the case may be, the Transferee / Amalgamated Company and may be enforced as fully and effectually as if, instead of the Transferor / Amalgamating Companies, the Transferee / Amalgamated Company had been a party or beneficiary or obligee thereto without the requirement of obtaining or seeking consent or approval of any third party.

14.2 The transfer of the Undertaking of the Transferor / Amalgamating Companies from the Appointed Date under Clause 13 and the continuance of proceedings by or against the Transferee Company under Clause 15 shall not affect any transaction or proceedings already concluded by the Transferor / Amalgamating Companies on and after the Appointed Date to the end and intent that the Transferee / Amalgamated Company accepts and adopts all acts, deeds and things done and executed by the Transferor / Amalgamating Companies and the Transferor / Amalgamating Companies shall be deemed to have carried on and to be carrying on its business on behalf of the Transferee / Amalgamated Company until such time this Scheme takes effect.

15. LEGAL PROCEEDINGS

15.1 Upon the coming into effect of this Scheme, all suits, actions and proceedings by or against the Transferor / Amalgamating Companies pending and / or arising on or before the Effective Date shall be continued and be enforced by or against the Transferee / Amalgamated Company effectually and in the same manner and to the same extent as if the same had been pending and / or arising by or against the Transferor / Amalgamating Companies.

15.2 The Transferee / Amalgamated Company undertakes to have all legal or other proceedings initiated by or against the Transferor / Amalgamating Companies referred to in Clause 15.1 above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee / Amalgamated Company

16. OPERATIVE DATE OF THE SCHEME

The Scheme shall become operative from the Appointed Date, but the same shall become effective on and from the Effective Date.

17. CONDUCT OF BUSINESS BY THE TRANSFEROR AND TRANSFEREE COMPANY TILL EFFECTIVE DATE

With effect from the Appointed Date and upto the Effective Date, the Transferor / Amalgamating Companies

(a) Shall carry on and be deemed to carry on all the business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for the Transferee / Amalgamated Company and all the profits or losses arising or incurred by the Transferor / Amalgamating Companies shall, for all purposes, be treated and be deemed to be and accrue as the profits or losses of the Transferee / Amalgamated Company as the case may be.

(b) Shall carry on its business and activities with reasonable diligence and business prudence and shall not, undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its subsidiaries or group companies or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking save and except in each case in the following circumstances :

(i) if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with Court; or

(ii) if the same is expressly permitted by this Scheme; or

(iii) if written consent of the Transferee / Amalgamated Company has been obtained.

18. TREATMENT OF THE SCHEME IN THE ACCOUNTS, TAXES AND DIVIDEND

18.1 TREATMENT OF THE SCHEME IN THE ACCOUNTS

18.1.1 The Assets and Liabilities of the Transferor / Amalgamating Companies transferred on amalgamation shall be accounted in the books of the Transferee / Amalgamated Company at the book values appearing in the books of the Transferor / Amalgamating Companies. The excess of the book value of the net assets of the Transferor / Amalgamating Companies, as appearing in the books of account of the Transferor / Amalgamating Companies over the paid up value of Preference Shares, to be issued and allotted, pursuant to Clause 22(c) hereof, shall be credited / debited to the "Amalgamation Reserve Account".

18.1.2 Upon the Scheme coming into effect, to the extent that there are inter-company investments, loans, bonds, debentures, advances, deposit balances or other obligations as between the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of accounts and records of the Transferee / Amalgamated Company for the cancellation of any such assets or liabilities, as the case may be, and difference if any arising by such effects in the books of accounts, shall be adjusted to the said "Amalgamation Reserve Account". For the removal of doubts, it is hereby clarified that there would be no accrual of interest or other charges in respect of any such inter company investments, loans, debt securities or balances with effect from the Appointed Date.

18.1.3 All the reserves, of the Transferor / Amalgamating Companies as on Appointed Date, shall be transferred to the "Amalgamation Reserve Account" in the books of the Transferee / Amalgamated Company.

18.1.4 Investments held by the Chakrapani in the Transferee / Amalgamated Company shall stand cancelled and / or extinguished.

18.1.5 Any cost incurred by the Transferor / Amalgamating Company for the purpose of executing this Scheme, not restricted to the costs specified in Clause 31 hereinafter, shall be debited to the "Amalgamation Reserve Account".

18.1.6 All such amounts standing to the credit of the "Amalgamation Reserve Account" shall constitute the Transferee / Amalgamated Company's free reserves available for distribution, as if the same were created by the Transferee / Amalgamated Company out of its own earned and distributable profits and accordingly, shall form part of the and stand transferred to the General Reserve and be treated as net worth of the Transferee / Amalgamated Company.

19. TREATMENT OF TAXES

19.1 Any tax liabilities under the Income Tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Maharashtra Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other State Sales Tax / Value Added Tax laws, Service Tax, stamp laws or other applicable laws / regulations (hereinafter in this Clause referred to as "Tax Laws") dealing with taxes / duties / levies allocable or related to the business of the Transferor / Amalgamating Companies to the extent not provided for or covered by tax provision in the Accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee / Amalgamated Company.

19.2 All taxes (including income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the Transferor / Amalgamating Companies in respect of the operations and / or the profits of the business on and from the Appointed Date, shall be on account of the Transferee / Amalgamated Company and, insofar as it relates to the tax payment (including without limitation income tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor / Amalgamating Companies in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee / Amalgamated Company and, shall, in all proceedings, be dealt with accordingly.

19.3 Any refund under the Tax Laws received by / due to Transferor / Amalgamating Companies consequent to the assessments made on Transferor / Amalgamating Companies subsequent to the Appointed Date pertaining to the business transferred and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee / Amalgamated Company.

19.4 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, MAT, excise duty, customs duty, service tax, VAT, etc., to which the Transferor / Amalgamating Companies is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee / Amalgamated Company.

20. DECLARATION OF DIVIDEND

20.1 With effect from the date of filing of this Scheme with the High Court and up to and including the Effective Date, the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company shall be entitled to declare and pay dividends, whether interim or final, to their respective equity shareholders as on the respective record dates for the purpose of dividend.

20.2 Until the coming into effect of this Scheme, the holder of equity shares of the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective Article of Association including their right to receive dividend.

20.3 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor / Amalgamating Companies and / or the Transferee / Amalgamated Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective

Board of Directors of the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company and subject, wherever necessary, to the approval of the shareholders of the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company, respectively.

21. COMPANY STAFF, WORKMEN AND EMPLOYEES

21.1 All the employees of the Transferor / Amalgamating Companies in service on the Effective Date shall become the employees of the Transferee / Amalgamated Company 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 the Transferor / Amalgamating Companies as on the said date.

21.2 As far as the provident fund, gratuity fund or any other special fund or schemes existing for the benefit of the employees of the Transferor / Amalgamating Companies concerned, upon the coming into effect of this Scheme, the Transferee / Amalgamated Company shall be substituted and / or transferred for the Transferor / Amalgamating Companies for all purposes whatsoever related to the administration / operation of such funds or schemes or in relation to the obligation to make contribution to the said funds or schemes in accordance with provisions of such funds or schemes according to the terms provided in the respective trust deeds or other documents and till such time shall be maintained separately. All the rights, duties, powers and obligations of the Transferor / Amalgamating Companies in relation to such funds or Schemes shall become those of the Transferee / Amalgamated Company and the services of the employees will be treated as being continuous for the purpose of the aforesaid funds or schemes.

22. ISSUE OF SHARES BY THE TRANSFEREE COMPANY

a. Upon this Scheme coming into effect, and after giving to the effect to Part II of the Scheme, the Transferor / Amalgamating companies shall become wholly owned subsidiaries of Transferee / Amalgamated Company and hence after giving to the effect to Part III of the Scheme, the shares held by the Transferee / Amalgamated Company in the Transferor / Amalgamating Companies shall stand cancelled.

b. Upon the Scheme being finally effective, the Authorised Capital of Transferor / Amalgamating Companies will get merged with that of the Transferee / Amalgamated Company without payment of additional fees and duties as the said fees have already been paid and the Authorised Capital of the Transferee / Amalgamated Company will be increased to that effect. Consequent upon the amalgamation, the Authorised Share Capital of Kalyani Investment Company Limited will be as under :

Authorised :

12,000,000	Equity Shares of Rs.10/- each	120,000,000
60,000,000	14% Non-Cumulative Redeemable Preference Shares of Rs.10/- each	600,000,000
	Total	720,000,000

c. Loans amounting to Rs.576 Million by Kalyani Steels Limited to Surajmukhi and Gladiolla shall be converted into 57,600,000 - 14% Non-Cumulative Redeemable Preference Shares of Rs.10/- each of Kalyani Investment as per the terms and conditions appended as Schedule 'A' to this Scheme.

d. It is clarified that Transferee / Amalgamated Company, for the purpose of amendment in the Authorised Share Capital and corresponding amendment in the Memorandum of Association and Articles of Association, shall not be required to pass a separate Resolution under Section 16, Section 31 or any other provisions of the Act, and on the members of Transferee / Amalgamated Company approving the Scheme, it shall be deemed that the shareholders of Transferee / Amalgamated Company have given their consent for amendment of the Authorised Share Capital and consequent amendment in Memorandum of Association and Articles of Association of Transferee / Amalgamated Company as required under Section 16, Section 31 and other applicable provisions of the Act.

23. RESTRICTION ON CHANGE OF CAPITAL STRUCTURE

With effect from the Appointed Date and upto the Effective Date, the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company shall not make any change in their respective capital structure either by any increase, (by issue of equity or shares on a rights basis, bonus shares, convertible debentures or otherwise) decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner except by mutual consent of the respective Board of Directors of the Transferor / Amalgamating Companies and the Transferee / Amalgamated Company or except as may be expressly permitted under this Scheme.

24. WINDING UP

On the Scheme becoming effective, Transferor / Amalgamating Companies shall be dissolved without being wound up.

PART-IV

25. REDUCTION AND RE-ORGANISATION OF EQUITY SHARE CAPITAL OF KALYANI STEELS

After giving effect to Part II & III of this Scheme, the re-organisation of Equity Share Capital of Kalyani Steels shall be effected as follows :

25.1 Upon this Scheme coming into effect, the Equity Share Capital of Kalyani Steels shall be reduced in the following manner :

The present paid up share capital of Kalyani Steels of Rs.436,530,600/- represented by 43,653,060 Equity Shares of Rs.10/- each shall be reduced to Rs. 218,265,300/- represented by 43,653,060 Equity Shares of Rs.5/- each by cancelling Rs.5/- per Equity Share and the difference arising out of such reduction, shall be credited to "Capital Adjustment Account" and all such amounts standing to the credit of the "Capital Adjustment Account" shall constitute the Kalyani Steels free reserves available for distribution, as if the same were created by the Kalyani Steels out of its own earned and distributable profits and accordingly, shall form part of the and stand transferred to the General Reserve and be treated as net worth of Kalyani Steels.

25.2 The reduction of Paid up Share Capital as above, shall be effected as an integral part of the Scheme only and not in accordance with Section 101 of the Act as the same does not involve either diminution of liability in respect of unpaid share capital or payment to any shareholder of any paid up share capital, and the Order of the Court sanctioning the Scheme shall be deemed to be an Order under Section 102 of the Act confirming the reduction.

25.3 Upon this Scheme coming into effect, all the shareholders whose names shall appear on the Register of Members of Kalyani Steels on such Record Date for Re-organisation of Capital fixed as aforesaid, if so required by Kalyani Steels, shall surrender their equity share certificates to Kalyani Steels for cancellation thereof. Alternatively, the share certificates in relation to the Equity Shares held by them in Kalyani Steels shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled and cease to be negotiable and be of no effect having any commercial value, on and from the said Record Date. Kalyani Steels shall deliver to the equity shareholders new share certificates (as adjusted for capital reduction in terms of Clause 25.1). For avoidance of confusion, Kalyani Steels will, on the Record Date, issue and deliver new share certificates to the equity shareholders in lieu of the old share certificates. In case of shares held in dematerialised or electronic form, the shares shall stand deleted from the respective depository accounts of the shareholders and the new shares shall be issued in the same electronic form by Kalyani Steels.

25.4 Upon this Scheme coming into effect, the Authorised Capital of Kalyani Steels will stand re-organised as follows :

Authorised :

95,000,000	Equity Shares of Rs.5/- each	475,000,000
3,010,000	Cumulative Redeemable Preference Shares of Rs.100/- each	301,000,000
2,400,000	Unclassifed Shares of Rs.10/- each	24,000,000
	Total	800,000,000

It is clarified that Kalyani Steels, for the purpose of amendment in the Authorised Share Capital and corresponding amendments in the Memorandum of Association and Articles of Association, shall not be required to pass a separate Resolution under Section 16, Section 31 or any other provisions of the Act, and on the members of Kalyani Steels approving the Scheme, it shall be deemed that the shareholders of Kalyani Steels have given their consent for amendment of the Authorised Share Capital and consequent amendments in Memorandum of Association and Articles of Association of Kalyani Steels as required under Section 16, Section 31 and other applicable provisions of the Act..

25.5 Any cost incurred by Kalyani Steels for the purpose of executing this part of the Scheme, not restricted to the costs specified in Clause 31 hereinafter, shall be debited to the "Capital Adjustment Account".

PART-V

26. LISTING OF SHARES OF RESULTING COMPANY

The new Equity Shares of the Resulting Company issued in terms of Clause 4 of this Scheme will be issued and / or admitted to trading on the Bombay Stock Exchange Limited, National Stock Exchange of India Limited and Pune Stock Exchange Limited, where the shares of the Demerged Company are listed. The Resulting Company shall enter into such arrangements and give such confirmations and / or undertakings as may be necessary in accordance with the applicable laws for complying with the stock exchange formalities.

PART VI

GENERAL TERMS AND CONDITIONS

27. APPLICATION TO HIGH COURT

Demerged, Amalgamating and Resulting Companies shall with all reasonable dispatch make applications under Sections 391 to 394 read with Section 100 and 104 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for seeking approval to the Scheme.

28. MODIFICATION OR AMENDMENTS TO THE SCHEME

Demerged, Amalgamating and Resulting Companies by their respective Board of Directors or any Committee constituted by their respective Board may assent to any modifications / amendments to the Scheme or to any conditions or limitations that the Hon'ble High Court and / or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them. Demerged, Amalgamating and Resulting Companies shall authorise their respective Board of Directors or any Committee constituted by them to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authority or otherwise howsoever arising out of or by virtue of the Scheme or implementation thereof and / or any matter concerned or connected therewith.

29. CONDITIONALITY OF THE SCHEME

a. This Composite Scheme is and shall be conditional upon and subject to :

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

ii. The approval by the requisite majorities of the classes of persons of Demerged, Amalgamating and Resulting Companies directed by the Hon'ble High Court under Section 391 of the Act.

iii. All other sanctions and orders as are legally necessary or required in respect of the Scheme being obtained.

iv. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to, only if, is approved in its entirety unless specifically agreed otherwise by Demerged, Amalgamating and Resulting Companies and by their respective Board of Directors or any Committee constituted by them.

30. **EFFECT OF NON-RECEIPT OF APPROVALS**

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

31. **COSTS, CHARGES & EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the respective companies.

SCHEDULE 'A'

TERMS AND CONDITIONS FOR ISSUE OF PREFERENCE SHARES

Issuer	Kalyani Investment Company Limited
Instrument	Non-Cumulative Redeemable Preference Shares
Face Value	Rs.10/- per Share
Dividend Rate	14% per annum
Redemption	To be redeemed at the end of 20 (Twenty) years from the Appointed Date.
Call Option	Kalyani Investment Company Limited will have an option to redeem the Preference Shares in one or more tranches at any time after the end of 1 (One) year from the Appointed Date.

CERTIFIED TRUE COPY
For HEMANT SETHI & CO.
ADVOCATES

TRUE-COPY
23/03/10
M. D. NARVEKAR
COMPANY REGISTRAR
HIGH COURT (O.S.)
BOMBAY

In The High Court of Judicature at Bombay

Ordinary Original Civil Jurisdiction

Company Scheme Petition No 22 of 2010

Connected with

Company Application No 1298 of 2009

In the matter of Sections 100, 391 & 394 of Companies Act, 1956

AND

In the matter of Scheme of Arrangement between Kalyani Steels Limited and Chakrapani Investments & Trades Limited and Surajmukhi Investment & Finance Limited and Gladiolla Investments Limited and Kalyani Investment Company Limited and their respective Shareholders

Kalyani Investment Company Limited ....Petitioner

AUTHENTICATED COPY OF ORDER DATED 12TH DAY OF MARCH 2010 AND THE SCHEME ANNEXED TO THE PETITION

HEMANT SETHI & CO

ADVOCATES FOR PETITIONER

Applied on 18/3/10
Engrossed on 18/3/10
Section Writer
Folios
Examined by
Compared with
Ready on 23-03-2010
Delivered on 25-03-2010