
Memorandum

And

Articles of Association

of

TALBROS AUTOMOTIVE COMPONENTS LIMITED

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 1956)

MEMORANDUM OF ASSOCIATION

OF

TALBROS AUTOMOTIVE COMPONENTS LIMITED



1. The name of the Company is **TALBROS AUTOMOTIVE COMPONENTS LIMITED**.
2. The Registered Office of the Company will be situated in the State of Haryana.
3. The objects for which the Company is established are :
 - (1) To carry on the business of manufacturers of gaskets and other related accessories for the engineering or mechanical Industries including the manufacture of machinery of all description and to buy, sell, manufacture, repair, convert, alter, let on hire and deal in gaskets and other related accessories of all kinds and to carry on any other business (manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above or otherwise calculated directly or indirectly to enhance the value of any other Company's property and rights for the time being.
 - (2) To execute with or without modification and carry into effect an agreement with Engineering Components Ltd., J. Payen Ltd., Wood Brothers & Co. (Gaskets) Ltd., and British Goetze Industrial Gaskets Ltd., all of 14, Liverpool Road, Slough, Buckingham, England for the purpose of providing for the eventual manufacture of all types of Automotive and Industrial Gaskets in India in terms of the draft agreement a copy whereof has, for the purpose of identification, been initialled by Mr. K.N. Talwar, Mr. J. R. Mody & Messers Crawford Bayley & Co.
 - (2A) To act as an Export House and a Trading House and to carry on all or any of the businesses of merchants, exporters or importers of and dealers, distributors or stockiest whether as principals, agents, brokers or otherwise in industrial, commercial agricultural, scientific household, domestic, farm and forest products, goods, plants, machineries, equipments, apparatus, gadgets, appliances, accessories, spare parts or any other general produce, merchandise, commodities, articles, materials, things and substances of all kinds and description.¹
 - (3) To carry on any business relating to the production, manufacture and preparation of any other things or materials which may be usefully or conveniently combined with the business of the Company or any contracts undertaken by the Company and either for the purpose only of such contracts or as an independent business.
 - (3A) To carry on the business of manufacturers, traders, exporters, importers of all kinds of computer hardware and other related accessories for the computer hardware industries and to buy, sell, repair, convert, alter, let on hire and deal in computer hardware items of all kinds and other related accessories and to run Business Process Outsourcing units (BPO) and Call Centres of all kinds and nature, and to buy, make, sell, convert, alter and to deal in all kinds of softwares including billing services, processing services, database services, transaction processing, data entry business-marketing services, business information and management services, training and consultancy services to business and body corporates and to carry on any other business, manufacturing or otherwise, which may seem to the company capable of being conveniently carried on in connection with the above or which may be usefully combined with the aforesaid activities or business of the company or any contracts undertaken by the company either for the purpose only of such contracts or as an independent business. ##

¹*As per the Special Resolution passed at the Annual General Meeting of the Company held on 27th June, 1983.

Seema Narang
Seema Narang
 Company Secretary

- (3B) To carry on the business of manufacturing, importing, exporting and trading of forging, machining, gear-cutting, gear teeth forging, ferrous/non ferrous castings, fabrication, assembling, designing and dealing in engines, chassis, bodies, components, accessories, ancillaries, stores, spares and parts of any kind of automobiles and vehicles suitable for propulsion on land, sea, or in the air or in any combination thereof automobile parts earth moving and agricultural machineries, transmission and other gears, transmission axles, universal joints, spring leaves, headlamps, sealed beams, all kinds of Ball Suspension Joints, Tie Rod Ends, Drag Links and Steering Linkage Assembly for all types of vehicles, clutch facing and brakelining components parts, auto electric components, auto engines, internet combustion engines, pistons, spare parts, accessories and fittings of all kinds for the said articles and things used in connection with the manufacture thereof, alloy springs, steel billets, flats and bars, nuts and bolts, pressed and other related items for motors, sea-planes and vehicles and conveyances of all kinds by using all types of technologies used in the forging of aforesaid items. ##
- (3C) To carry on the business of manufacturers, traders, exporters, importers of all kinds of adhesives, greases, lubricants and tyre sealants, asbestos or any other materials or things which may be usefully or conveniently combined with the business of the company or any contracts undertaken by the Company and either for the purpose only of such contracts or as an independent business including for captive consumption. ##
- (3D) To carry on the business of manufacturing, importing, exporting, producing, executing, using, manipulating, working, distributing, buying and selling and otherwise dealing with all kinds of sheet metal components including electrical stampings of all descriptions for all kind of the application such as matching parts, Home Appliances, Aviation, Agriculture implements, Electric motors, Automobiles, Tractors. ##
- (4) To undertake and execute any contracts for works involving the supply or use of any machinery and to carry out any ancillary or other works comprised in such contracts.
- (5) To purchase, take on lease or in exchange, hire or otherwise acquire any estates or lands, buildings, easements, rights, privileges, concessions, machinery, plant, stock-in-trade and movable or immovable property of every kind necessary or convenient for any of the Company's business and any interest in the same.
- (6) To construct, alter and maintain any buildings, machinery and plant which may appear to be necessary or convenient for the Company's business.
- (7) To hold, erect, purchase, acquire, manufacture, produce, operate, equip, maintain, and utilise, packing houses, factories, mills, stock-yards, offices, buildings, warehouses, branch establishments, sale rooms, cars and other rolling stock or vehicles or means of transportation, and electric light or other lighting, heating or power generating plant or printing establishments.
- (8) To apply for purchase or otherwise acquire, protects, prolong and renew any patents, patent rights, *brevets d'invention*, licences, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to use or any secret or other information as to any invention which may appear likely to be advantageous or useful to the Company, and to use and turn to account and to manufacture under, or grant licences or privileges in respect of the same, and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
- (9) To improve and turn to account any property, movable or immovable, in which the Company is interested, and in particular to develop for building and let on lease or agreement any lands in which the Company is interested, and to advance money to enter into contracts and agreements of all kinds with builders, tenants and others in relation thereto.
- (10) To enter into contracts, agreements or arrangements with governments or authorities (Supreme, municipal, local or otherwise) or any corporation, companies or persons in any part of the world, and to obtain from any such government or authority all reports, concessions and privileges that may be deemed conducive to the Company's objects or any of them.

- (11) To pay out of the funds of the Company, either in cash, fully paid up shares or otherwise, all the costs, charges and expenses of all parties of and incidental to the promotion formation and registration of the Company and of any other company and the issue of its share capital, and generally all preliminary expenses whatever, incurred in relation to the Company including registration and stamps fees, legal expenses, printing and advertising and the establishment of agencies of the Company.
- (12) To establish and maintain agencies of the Company in any foreign state.
- (13) To borrow and raise money, and for the purpose of security and discharging any debt, contract of indemnity, or other obligation of, or binding on the Company, to mortgage and charge the undertaking and all or any of the movable or immovable property, present or future, and the uncalled capital of the Company, and to create and issue at par or at a premium or at a discount perpetual, redeemable (with or without bonus or premium), renewable or terminable debentures, bonds, debenture stock and other securities and to secure any obligations or securities of the Company by covering, or trust deeds or otherwise, and to confer on any incumbrancer or on trustees for or agents of any incumbrances such powers as may be thought fit, and in particular, powers of appointing Directors receivers, Managers, or other officers or persons and making and enforcing calls on unpaid or partly paid shares of the Company.
- (14) To make, accept, endorse, negotiate and execute promissory notes, bills of exchange and other negotiable instruments.
- (15) To enter into partnership or any joint purse or profit-sharing arrangement, union of interest or co-operation with any company, firm or persons carrying on or proposing to carry on any business within the objects of this Company, and to acquire, hold and deal with shares, stocks or securities of any such company.
- (16) To sell, barter, exchange, lease, convert into money or otherwise realise, grant licences, easements and other rights over, and in any other manner deal with or dispose of the undertaking, property, assets, rights and effects of the Company or any part thereof for such consideration as the Company may think fit, and in particular for stocks, shares (fully or partly paid up) or securities of any company, and to acquire, hold and deal with such shares, stocks or securities.
- (17) To amalgamate with any other company whose objects include objects similar to those of this Company, whether by sale or purchase (for shares or otherwise) of the undertaking (subject or not to the liabilities) of this or any such other company, with or without winding-up, or by sale or purchase (for shares or otherwise) of all the shares or stock of this or any such other company or in any other manner.
- (18) To distribute among the members in specie any property of the Company, but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law.
- (19) To establish and support, or aid in the establishment and support of association, institutions, funds, trust and conveniences calculated to benefit employees or ex-employees of the Company (or its predecessors in business) or the dependents or connections of such persons, and to grant pensions and allowances, and make payment to any persons whatsoever, and to make payments towards insurances, and to subscribe or guarantee money for charitable or benevolent or for any exhibition or for any public, general or useful object.
- (20) To invest the reserve funds of the company and any moneys of the Company which may not for the time being be required for the general purposes of the Company in such stocks, funds, shares or investments other than shares in the Company as may be thought proper, and to hold, sell or otherwise deal with such investments.
- (21) To do all or any of the above things as principals, agents, contracts, trustees or otherwise, and by or through trustees, agents or otherwise, and either alone or in conjunction with others.
- (22) To do all such other things as are in the opinion of the Directors incidental or conducive to the above objects or any of them.

And it is hereby declared that the word "Company" in this clause except when used in reference to the Company shall be deemed to include any person or partnership or other body of persons whether domiciled in India or elsewhere, and words denoting the singular number only shall include the plural number and vice versa and that the objects set forth in any sub-clause of this clause shall not, except when the context expressly so requires, be in any wise limited or restricted by reference to or inference from the terms of any other sub-clause, or by the name of the Company, None of such sub-clauses or the objects therein specified or the powers thereby conferred shall be deemed subsidiary or auxiliary merely to the object mentioned in the first sub-clause of this clause, but the Company shall have full power to exercise all or any of the powers conferred by any part of this clause in any part of the world and not with standing that the business, undertaking, property or acts proposed to be transacted, acquired, dealt with or performed do not fall within the objects of the first sub-clause of this clause.

- (23) To execute Guarantee(s) Corporate Guarantees(s). Counter Guarantee(s) and Additional Guarantee(s) in favour of any Body(ies) Corporate including banks and financial institutional as the Company may think fit.^{3*}

4. The liability of the members is limited.

- 5. The Authorised share capital of the Company is Rs. 20,00,00,000/- (Rupees Twenty Crores) divided into 10,00,00,000/- (Ten Crores) Equity Shares of Rs. 2/- (Rupees Two) each^{4*}**

^{3*} As per the Special Resolution passed at the 43rd Annual General Meeting of the Company held on 20.09.2000.

^{4*} As per the Special Resolution passed at the Annual General Meeting held on 04.07.2006 and 25.09.2023.

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.

Names, addresses and Descriptions of subscribers	Number of shares taken by each subscribers	Signature
KARTAR NATH TALWAR of Allied Motors Private Ltd., Scindia House, Janpath, New Delhi <i>Merchant and Landlord.</i>	One	Sd/- Kartar Nath Talwar
JEHANGIR RUSTAMJI MODY of 54, Diplomatic Enclave, New Delhi Industrial Consultant	One	Sd/- Jehangir Rustamji Mody

Witness to the signature of the above named
ELIJAH E. JHIRAD
Barrister-at-law
Advocate, Supreme Court of India

Dated the 3rd day of September, 1956



Certified True Copy
For Talbros Automotive Components Ltd.

Seema Narang
Seema Narang
Company Secretary

THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
(Incorporated under the Companies Act, 1956)
ARTICLES OF ASSOCIATION
OF
TALBROS AUTOMOTIVE COMPONENTS LIMITED

(Adopted by Special Resolution passed at the 61st Annual General Meeting of the Company held on 25th September, 2018 in substitution for, and to the entire exclusion of, earlier regulations comprised in the extant Articles of Association of the Company)

1. APPLICABILITY OF TABLE 'F'

The Regulations contained in Table 'F' in Schedule I to the Companies Act, 2013 as amended from time to time, shall apply to the Company as if the Articles contained therein were mentioned in these presents. In case of conflict between Table 'F' and these Articles, the provisions of these Articles shall prevail.

2. DEFINITIONS AND INTERPRETATION

DEFINITIONS

Unless the context otherwise requires, words or expressions contained in these Articles shall bear the meaning assigned to them respectively hereunder, namely:

Act	means the Companies Act, 2013 including the Rules made thereunder and to the limited extent the Companies Act, 2013 is not enforced, and consequentially the Companies Act 1956 applies, means the Companies Act, 1956. Any reference to the Act or to the Companies Act, 2013 shall be deemed to include modification reference to any statutory modification or re-enactment thereof for the time being in force, and any reference to any Section or provision of the Act or the Companies Act, 2013 shall be deemed to include reference to the relative section or provision in the modified or re-enacted statute;
Annual General Meeting	means a general meeting of Members held in accordance with the provisions of the Act, and any adjourned holding thereof;
Articles	means these Articles of Association of the Company or as altered from time to time;
Auditors	means and includes a person appointed as such for the time being of the Company in accordance with the provisions of these Articles and applicable Laws;
Board of Directors or Board	means the Board of Directors of the Company constituted from time to time consistent with the provisions of these Articles and applicable Laws;
Beneficial Owner	shall mean a Beneficial Owner as defined in Clause (a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996;
Chairman	means the Chairman of the Board of Directors;

Guaranteed True Copy
For Talbros Automotive Components Ltd.

Seema Narang
Company Secretary



Company	means TALBROS AUTOMOTIVE COMPONENTS LIMITED;
Committee	means a Committee of the Board;
Director	means a member of the Board appointed in accordance with these Articles, including any additional and/or alternate Director;
Depositories Act	means the Depositories Act, 1996, or any statutory modification or re-enactment thereof, for the time being in force;
Depository	shall have the meaning as given under the Depositories Act, 1996;
Expression in the Act bear the same meaning in Articles	All other words or expression herein used shall, unless repugnant to the subject or context thereof bear the same meaning as in the Act or Regulations contained in Table F of Schedule I to the Act.
Extra-ordinary General Meeting	means a General Meeting other than Annual General Meeting of Members;
Financial Year	means the period ending on March 31 every year or any other period as allowed under the Act;
Key Managerial Personnel	means the Chief Executive officer or the Managing Director or the Manager; the Company secretary; Whole-time director; Chief Financial Officer; and such other officer as may be notified from time to time in the Act;
Law	includes all statutes, enactments, acts of legislature or parliament, Laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any government, statutory authority, tribunal board, court or recognized stock exchange;
Listing Regulations	means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
Manager	means a Manager of the Company as defined in the Act;
Member	means in relation to the Company a Member as defined in the Act;
Memorandum of Association	means the Memorandum of Association, of the Company registered with the Registrar of Companies as amended from time to time;
Month	shall mean a calendar month;
Ordinary & Special Resolution	shall have the meanings assigned to these terms by Section 114 of the Act;
Promoter	means a person who has been named as such in a prospectus or is identified by the Company in the annual return referred to in Section 92;
Proxy	means any person who is duly appointed as such under the Act;
Register of Charges	means the Register of Charges maintained by the Company pursuant to the Act;
Register of Members	means the Register of Members maintained by the Company pursuant to the Act and also includes records of the Depository maintained in any media as may be permitted by applicable Law including electronic media;
Rules	means the applicable rules for the time being in force as prescribed under relevant Sections of the Act;

Seal	means the Common Seal of the Company;
Secretary	means the Company Secretary of the Company as defined under Section 2(24) of the Act;
Share	means a Share in the share capital of the Company and includes stock.

INTERPRETATION

- (a) In these Articles, unless the context requires otherwise:
- (i) reference to the singular includes a reference to the plural and vice versa;
 - (ii) reference to any gender includes a reference to all other genders;
 - (iii) reference to an individual shall include his legal representative, successor, legal heir, executor and administrator;
 - (iv) reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment (whether before or after the date of these Articles) for the time being in force and to all statutory instruments or orders made pursuant to statutory provisions;
 - (v) references to any statute or regulation made using a commonly used abbreviation, shall be construed as a reference to the title of the statute or regulation;
 - (vi) references to any Article, shall be deemed to be a reference to a Regulation of these Articles.
 - (vii) Words and expressions used, and not defined in these Articles, but defined under the applicable provisions of the Act, shall have the meanings respectively assigned to them in the Act.
- (b) Any word or phrase defined in the body of these Articles as opposed to being defined in Article 1 above shall have the meaning assigned to it in such definition throughout these Articles, unless the contrary is expressly stated or the contrary clearly appears from the context.
- (c) The use of the word "including" followed by a specific example/s in these Articles shall not be construed as limiting the meaning of the general wording preceding it.
- (d) Reference to a "person" includes (as the context requires) an individual, proprietorship, partnership firm, company, body of corporate, co-operative society, entity, authority or any body, association or organization of individuals or persons whether incorporated or not.

CAPITAL

- | | |
|---|--|
| Share Capital | 3. The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may from time to time, be provided in clause 5 of the Memorandum of Association of the Company. |
| Increase and alteration of Share Capital | 4. Subject to provisions of the Act, the Company may by passing the resolution in General Meeting, increase or alter the Share Capital by such sum to be divided |

into Shares of such amount as the resolution shall prescribe.

Terms of Issue
of Shares

5. New shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the Board/General Meeting, as applicable, resolving upon the creation whereof shall direct. The rights to exercise a call on shares of the Company cannot be given to any person except with the sanction of the Board/ General Meeting as applicable.

Terms of Issue
of Debentures

6. Any debentures, debenture-stock or other securities may be issued by the Company with or without an option to convert into shares either wholly or partly, in terms of the applicable provisions of the Act.

Further issue
of Shares

7. Subject to the provisions of the Act, whenever it is proposed to increase the subscribed capital of the Company by issue of further Shares either out of the unissued capital or out of the increased share capital then:
 - (a) such further Shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid up on these Shares at the date;
 - (b) such offer shall be made by a notice specifying the number of shares offered and limiting a time within which the offer, if not accepted, will be deemed to have been declined;
 - (c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in Sub Clause (b) hereof in favour of any person and the notice shall contain a statement of this right. Provided that the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any Member may renounce the shares offered to him;
 - (d) after expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such person(s) as they may think fit, in their sole discretion.
8. Subject Notwithstanding anything contained in Clause 7 hereof, the further shares aforesaid may be offered to any person (including to employees under a scheme of employee's stock option, and whether or not those persons include the persons referred to in Clause 7(a) hereof in any manner whatsoever:
 - (a) if a special resolution to that effect is passed by the Company in General Meeting; or;
 - (b) where no such special resolution is passed, if the votes cast in favour of the proposal contained in the resolution moved in the General Meeting (including the casting vote, if any of the Chairperson) by the Members who, being entitled to do so, vote in person, or where Proxies are allowed, by Proxy, exceed the votes, if any, cast against the proposal by Members, so entitled and voting and the Central Government/ any other designated authority/ body is satisfied on an application made by the Board of Directors in this behalf that the proposal be approved.

9. Nothing in Sub-Clause (c) of 7 hereof shall be deemed:

- (a) to extend the time within which the offer should be accepted; or
- (b) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

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

Sub-division or
Consolidation
of shares

11. Subject to the provisions of the Act, the Company in a General Meeting, may from time to time sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by Section 61 of the Act or any other applicable provisions and shall file with the Registrar such notice in exercise of any such powers, if any, as may be required by the Act.

Buy Back of
Company's
Shares

12. Notwithstanding anything contained in these Articles, the Company shall be entitled to purchase its own shares and specified securities, as permitted by Law, and in connection thereto the Board may, when and if thought fit, buy back such of the Company's own shares or specified securities permitted by Law, as it may think fit, subject to such limits, upon such terms and conditions, and in such manner as may be prescribed by Law and subject to such approvals as may be necessary.

How far new
shares rank with
shares of original
capital

13. Except so far as provided by the conditions of issue or by these presents with no of greater right or higher privilege being created over the then existing issued shares but otherwise ranking pari-passu in all other respects, any capital to be raised by the creation of new shares shall be considered part of the then existing unissued capital and shall be subject to the provisions herein contained and of the Act applicable to the shares of the Company.

Reduction of
share capital

14. The Company may, by Special Resolution, reduce in any manner with and subject to any incident authorised and consent as required by law:

- a. its share capital;
- b. any capital redemption reserve account; or
- c. any share premium account.

SHARES

Shares to be numbered
progressively

15. The shares in the capital shall be numbered progressively.

Shares at the
disposal of
Board

16. Subject to the provisions of the Act and these Articles, the shares shall be under the control of the Board, who may, subject to these Articles, issue, allot or otherwise dispose off the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the applicable provisions of the Act) and at such times as they may from time to time think fit and proper and with the sanction of the Members in General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit and may issue and

allot shares in the capital of the Company on payment in full or in part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may be allotted may be issued as fully paid-up shares and if so issued shall be deemed to be fully paid shares. Provided that option or right to call any shares shall not be given to any person or persons without the sanction of the Members in General Meeting.

Issue/ Re-issue
of preference
shares

17. Subject to these Articles, the applicable provisions of the Act and other applicable Laws, the Company, with the necessary approval of shareholders, if required, shall have the power to issue or re-issue preference shares of one or more classes, which are liable to be redeemed and/ or converted into equity shares, on such terms and conditions, and in the manner provided in the resolution authorizing such issue, and in absence of any specific condition of their issue in that behalf, in such manner as the Board may deem fit.

Issue of sweat
equity shares

18. Subject to these Articles, the applicable provisions of the Act and other applicable Laws, the Company may, with the necessary approval of the shareholders, issue sweat equity Shares, on such terms and conditions and in the manner provided in the resolution authorizing such issue, and in absence of any specific condition of their issue in that behalf, in such manner as the Board may deem fit.

Issue of Shares with
differential rights

19. Notwithstanding anything contained in any of these Articles, but subject to the applicable provisions of the Act and other applicable Laws, the Company may from time to time, issue to any person(s) as it may deem fit, Shares whether equity, preference or any other class(es), by whatever name called, with differential rights as to voting, dividend or otherwise.

Dematerialization/
Rematerialization of shares

20. The Company shall be entitled to dematerialize or rematerialize any or all of its shares, debentures and other marketable securities pursuant to the Depositories Act, 1996 and, subject to these present.

CERTIFICATES

Member's
right to certificate

21. 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 one month 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) share certificate shall be issued in marketable lots, where the share certificates are issued either for more or less than the marketable lots, sub-division/ consolidation into marketable lots shall be done free of charge.

Issue of certificate in
case of Joint holders

22. 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.

Shares held in
demat account

23. A person opts to hold any shares with the depository, the Company shall intimate such depository the details of allotment of the shares to enable the depository to enter in its records the name of such person as the beneficial owner of that shares.

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

24. 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.

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.

Right to refuse sub-division of shares

25. Notwithstanding anything to the contrary contained in the Articles, the Board of Directors or a Committee thereof may in their absolute discretion not accept applications for sub-division of shares into denominations of less than the marketable lot, except when such a sub-division is required to be made to comply with a statutory provision or an order of a competent court of law or a request from a member to convert his holdings of odd lots of shares into marketable lots. Provided that the Directors shall be entitled to allow an application for subdivision of shares of less than marketable lot, if in their opinion refusal to allow such an application is likely to result in undue hardship and/or prejudice to any holder of shares of the Company.

Exemption from fee

26. The Company shall not charge any fee:
- (a) on sub division and consolidation of share and debenture certificates and for subdivision of Letters of Allotment and split, consolidation, renewal and pucca Transfer Receipts into denominations corresponding to the market units of trading;
 - (b) for subdivision of renounceable Letters of Right and
 - (c) for issue of new Certificate in replacement of those which are old, decrepit or worn out or where the spaces on the reverse for recording transfers have been fully utilised.

The first named of joint holders deemed sole holder

27. If any share stands in the name of two or more persons, the person first named in the Register shall, as regards receipt or dividends or bonus or service of notice and all and any other matters connected with the Company and the rights of the shareholders (except with regard to the transfer of shares), be deemed the sole holder thereof.

Compliance with Stock Exchanges

28. The Board shall comply with the Rules, Regulations and requirements of any Stock Exchange or the Rules made under the Act or the Rules made under the Securities Contracts Regulations Act, 1956 or any other law or Rules applicable relating to the issue of certificates.

SHARE WARRANTS

Issue of Share Warrants

29. The Company may issue Share warrants subject to, and in accordance with, the terms and conditions as may be prescribed pursuant to the provisions of the Act or as may be permissible under applicable Law from time to time. Accordingly, the Board may, in its discretion, and subject to the Act, prescribe applicable procedure, charges and requirements from time to time that will apply in that regard.

UNDERWRITING AND BROKERAGE

Commission
for placing
shares

30. Subject to the provisions of the Act, the Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or debenture-stock or other securities of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for shares, debentures or debenture-stock or other securities of the Company but so that the statutory conditions and requirements shall be observed and complied with. The amount of rate of commission shall not exceed the rate as may be fixed under the Companies Act, 2013, the Rules and SEBI guidelines wherever applicable.

The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash or in share, debentures or debenture stock of the Company, (whether fully paid or otherwise) or in any combination thereof.

CALLS AND LIEN ON SHARES

Calls

31. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board. A call may be made payable by installments.

All calls shall be made on a uniform basis on all shares falling under the same class. Shares of the same nominal value on which different amounts have been paid up shall not be deemed to fall under the same class.

Directors
may extend
time

32. The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call and may extend such time as to the payment of any call for any of the Members; but no Member shall be entitled to such extension save as a matter of right.

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.

A call may be revoked or postponed at the discretion of the Board.

Payment in advance of
calls

33. Any amount paid up in advance of calls on any share shall not in respect thereof confer a right to dividend or to participate in the profits.

Charge of interest on
default

34. If any Member fails to pay any call due from him on the date appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall, from time to time be fixed by the Board or a Committee of the Board if so authorized in this regard. The Board/ Committee shall be at liberty to waive payment of any such interest wholly or partly.

Proof

35. On the trial or hearing of any action for the recovery of any money due for any call it shall be sufficient to prove that the name of the member sued is entered in the Register as the holder of the shares in respect of which such debt accrued,

and that the resolution making a call is duly recorded in the minute book of the Board of Directors and it shall not be necessary to prove the appointment of the Directors who made such call nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Lien

36. Fully paid up shares shall be free from all liens. The Company's Lien on partly paid-up shares shall be restricted to money called or payable at a fixed time in respect of such shares.

Such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall not operate as waiver of the Company's lien, if any, on such shares.

FORFEITURE

Notice prior to forfeiture

37. If a Member or debenture-holder fails to pay any call or the allotment money or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or allotment money or instalment 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 call or installment as is unpaid, together with any interest which may have accrued.

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 or debentures in respect of which the call was made will be liable to be forfeited.

Arrears to be paid notwithstanding Forfeiture

38. A person whose shares or debentures have been forfeited shall cease to be Member or holder in respect of the forfeited shares or debentures, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the Share or debenture.

The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares or debentures.

Title of purchaser and allottee of forfeited shares

39. Any purchase or allottee of forfeited shares shall not (unless by express agreement) be liable to pay any calls, amount, instalments, interest and expenses owing to the Company prior to such purchase or allotment, nor shall be entitled (unless by express agreement) to any dividend, interest or bonus accrued or which might have accrued upon the shares before the time of completing such purchase or before such allotment.

Partial payment not to preclude forfeiture

40. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any part payment or satisfaction thereof nor the receipt by the Company of a portion or any money which shall at any time be due from any member in respect of any share 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 Company from thereafter and at any time preceding to enforce a forfeiture of such share as herein provided.

TRANSFER AND TRANSMISSION OF SHARES, NOMINATION

- | | |
|--|--|
| Register of Transfers | 41. The Company and/ or Registrar and Share Transfer Agent shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any Share. |
| Common instrument of Transfers | 42. A common instrument of transfer shall be used which shall be in writing in case of shares/ debentures held in physical form and all the related provisions of the Act and of any statutory modification thereof for the time being, shall be duly complied with in respect of all transfer of shares and the registration thereof. |
| | The instrument of transfer of any Shares shall be executed by or on behalf of both the transferor and transferee. |
| Refusal of Registration of transfer | 43. Subject to the provisions of Section 58, these Articles and other applicable provisions of the Act or any other Law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of Law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within a period of 30 days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal, provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares. |
| Directors may decline to register transfer | 44. Subject to the provisions of Law, in the event that the proper documents have been lodged, the Company shall register the transfer of securities in the name of the transferee except: <ul style="list-style-type: none"> (a) when the transfer is, in exceptional circumstances, not approved by the Directors in accordance with the provisions contained herein; (b) when any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Company from transferring the securities out of the name of the transferor; (c) when the transferor object to the transfer, provided he serves on the Company within a reasonable time a prohibitory order of a court of competent jurisdiction; (d) the transfer of a Share, not being a fully paid Share, to a person whom they do not approve; (e) any transfer of Share(s) on which the Company has lien. |
| Transmission of shares | 45. The executors or administrators of a deceased shareholder or the holder of a shares succession certificate shall be the only person to be recognised by the any title to his share except in case of joint holders in which case the surviving holder or holders or the executors or administrators of the last surviving holder |

shall be the only person(s) entitled to be so recognised but nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him with other persons.

Provided always that it shall be lawful for the Board of Directors in their absolute discretion to dispense with the production of Probate or Letters of Administration or Succession Certificate or other legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.

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

If the person so becoming entitled shall elect to be registered as holder of the shares himself, he shall deliver or send to the Company a notice in writing by him stating that he so elects.

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

Custody of
Instrument
of transfer

46. The instrument of transfer shall, after registration, be retained by the Company and shall remain in its custody. All the instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company after such period as may be prescribed.

Title of shares of
a deceased member

47. Subject to the provisions of Section 72 of the Act, the executors or administrators of a deceased Member or a holder of a succession certificate or other legal representative or nominee in respect of shares of a deceased Member where he was a sole or only surviving holder shall be the only person whom the Company will be bound to recognize as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognize such executors, administrators or holder unless such executors or administrators shall have first obtained probate or letters of administration or such holder is the holder of a succession certificate or other legal representation, from a court of competent jurisdiction or in the case of nomination, on the production of such evidence as the Board may require, as the case may be.

Provided that in any case where the Directors, at their absolute discretion, think fit, the Directors may dispense with production of probate or letters of administration or succession certificate or other legal representation or other evidence and register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased Member as a Member, in accordance with the provisions of these Articles.

Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require, either be registered as a Member in respect of such shares or may subject to the regulations as to transfer contained in these presents and applicable Law, transfer such shares to some other person. This Article, in these presents, is referred to as the "Transmission Clause".

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

Refusal from registration
for transmission

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

Fee on transfer/
transmission of shares

49. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

Company not liable for
disregard of notice
prohibiting registration
of transfer

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

Nomination by the holders
of shares/debentures/
deposits

51. Every Share/ bond/ debenture holder of the Company and a depositor under the Company's Public Deposit Scheme (Depositor) of the Company may at any time, nominate in the prescribed manner, a person to whom his shares/ bonds/ debentures or deposits in the Company shall vest in the event of his death.

Where the shares or bonds or debentures or deposits in the Company are held by more than one person jointly, the joint holder may together nominate, in the prescribed manner, a person to whom all the rights in the shares or bonds, debentures or deposits in the Company, as the case may be, shall vest in the event of death of all the joint holders.

Notwithstanding anything contained in these Articles, or any other Law for the time being in force or in disposition, whether testamentary or otherwise, in respect of such shares/ bonds/ debentures or deposits in the Company, where a nomination made in the prescribed manner purport to confer on any person the right to vest the shares/ bonds/ debentures or deposits in the Company, the nominee shall on the death of the Share/ bond/ debenture holder or a depositor, as the case may be, or on the death of the joint holders become entitled to all the rights in such shares/ bonds/ debentures or deposits, as the case may be, to the exclusion of all persons, unless the nomination is varied, cancelled in the prescribed manner.

Where the nominee is a minor, it shall be lawful for the holder of the shares/bonds/ debentures or deposits, to make the nomination to appoint, in the prescribed manner, any person to become entitled to

shares/bonds/debentures or deposits in the Company, in the event of his death, during the minority.

Transmission of Securities by Nominee

52. Notwithstanding anything provided in these Articles, a nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either:
- (a) to be registered himself as holder of the share/bond/debenture or deposits, as the case may be; or
 - (b) to make such transfer of the Share/bond/debenture or deposits, as the case may be, as deceased Share/ bond/ debenture holder or depositor could have made;
 - (c) if the nominee elects to be registered as holder of the Share/bond/debenture or deposits, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Share/ bond/ debenture holder or depositor, as the case may be;

Nominee to have the same rights

53. A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share/bond/debenture or deposits except that he shall not, before being registered as a Member in respect of his Share/bond/debenture or deposits be entitled in respect of it to exercise any right conferred by membership in relation to meeting of the Company.

Provided further 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/bond/debenture or deposits, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the Share/ bond/ debenture or deposits, until the requirements of the notice have been complied with.

DEMATERIALISATION OF SECURITIES

Dematerialisation of Securities

54. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialize its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

Options for investors

55. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.

Securities in depositories to be in fungible form

56. All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 and 186 of the Act shall apply to a

depository in respect of the securities held by it on behalf of the beneficial owners.

Rights of depositories
and beneficial owners

57. (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.
- (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it.
- (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.

Service of document

58. Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

Transfer of
securities

59. Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

Allotment of securities dealt
with in a depository

60. Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

Distinctive numbers of
securities held in a
depository

61. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.

Register and Index of
Beneficial owners

62. The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.

Company to recognise the
rights of registered holders
as also the beneficial owners
in the records of the depository

63. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice thereof.

CAPITALISATION OF PROFITS/ RESERVES

Capitalisation of profits

64. The Company in General Meeting may, upon the recommendation of the Board, resolve:

- a. that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the Profit & Loss Account or otherwise available for distribution; and
- b. that such sum is accordingly set free for distribution in the manner specified below amongst the members who would have entitled thereto if distributed by way of dividend and in the same proportion.

The sum aforesaid shall not be paid in cash but shall be applied either in or towards;

- i. paying up any amounts for the time being unpaid on shares held by such members respectively;
- ii. paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
- iii. partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii)

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 paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;

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

Whenever such a resolution as aforesaid shall have been passed, the Board shall:

- a. make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares, if any, and
- b. generally do all acts and things required to give effect thereto.

The Board shall have full power:

- a. to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and
- b. to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares.

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

GENERAL MEETINGS

General Meetings

65. The Company shall in each year hold in addition to the other meetings a general meeting which shall be styled as its Annual General Meeting at intervals and in accordance with the provisions of Section 96 of the Act. All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.

Notice of General Meeting

66. The Board may, whenever it thinks fit, call an extraordinary general meeting. A General Meeting of the Company may be called by giving at least clear 21 (twenty one) day's notice in writing or through electronic mode but a General Meeting may be called after giving shorter notice if consent is given in writing or by electronic mode by not less than 95 (ninety five) percent of the members entitled to vote at such meeting. The accidental omission to give notice to or the non-receipt of notice by, any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

All business shall be deemed special that is transacted at an Extraordinary Meeting and also that is transacted at an Annual Meeting with the exception of declaration of a dividend, the consideration of financial statements and the reports of the Directors and Auditors thereon, the election of the Directors in the place of those retiring, and the appointment of and the fixing of the remuneration of Auditors. Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein, of every Director and the Manager, if any, every other Key Managerial Personnel and the relatives of Directors, Manager and other Key Managerial Personnel. Where any item of business consists of the approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid. Where any item of special business to be transacted at a meeting of the company relates to or affects any other company, the extent of shareholding interest in that other company of every promoter, director, manager, if any, and of every other key managerial personnel of the first mentioned company shall, if the extent of such shareholding is not less than two per cent of the paid-up share capital of that company, also be set out in the statement.

PROCEEDINGS AT GENERAL MEETINGS

Quorum

67. 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.

No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the Chair is vacant.

The quorum for a general meeting shall be as provided in the Act.

If within half an hour from the time appointed for the meeting, a quorum is not present, the meeting, if called upon the requisition of members, shall be dissolved; in any other case, it shall stand adjourned to the same day in the next week and at the same time and place or to such other day and to be at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

Chairperson

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

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 one of their members to be Chairperson of the meeting.

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 choose one of their members to be Chairperson of the meeting.

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

Conduct of business at General Meeting

69. At a General Meeting, all resolutions relating to business of meeting shall be decided as per the provisions of Act by way of show of hands/ Poll/ Electronic voting.

Postal Ballot

70. Notwithstanding anything contained in the provisions of these presents, the provisions of Section 110 of the Act and the rules made thereunder, shall apply in relation to passing of resolutions by Postal Ballot.

Minutes

71. 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.

The Chairman shall exercise an absolute discretion in the matters as are or could reasonably be regarded as defamatory of any person, irrelevant or immaterial to the proceedings or detrimental to the interests of the Company.

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

Adjournment of meeting

72. The Chairman of the meeting may suo moto or with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting) adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice on an adjournment or of the business to be transacted at an adjourned meeting.

Votes

73. Every member of the Company holding Equity Share(s), shall have a right to vote in respect of such capital on every resolution placed before the Company. The voting rights of a member on Poll and on e-voting shall be in proportion to his share of the paid-up Equity Capital of the Company.

A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

In case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy, provided that such evidence as the Board may require of the authority of the person claiming to vote shall have been deposited at the office or such other office of the Company as may from time to time be designated by the Board, not less than forty eight hours before the time for holding the meeting or adjourned meeting at which such person claims to vote. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to his given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

No member shall be entitled to vote at a General Meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

Proxy

74. Any member entitled to attend and vote at a general meeting of the Company shall be entitled to appoint any person or attorney whether a member or not as his proxy to attend and vote instead of himself, but the proxy so appointed shall not, unless be a member, have any right to speak at the meeting and shall be entitled to vote on the Poll.

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

An instrument appointing a proxy shall be in the form as prescribed in the Rules specified under provisions of the Act.

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

- Custody of Instrument of proxy 75. Any instrument of appointment shall be confined to the object of appointing an

attorney or proxy or substitute and shall remain permanently or for such time as the Board of Directors may determine, in the custody of the Company.

DIRECTORS

- | | |
|----------------------------|--|
| Number of Directors | 76. 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) or such other number as may be prescribed under the Act. The Composition of Board shall be in accordance with the provisions of the Act and the Listing Regulations. |
| Woman Director | 77. The Directors shall appoint at least one woman director as per the requirements of section 149 of the Act. |
| Independent Directors | 78. The Company shall appoint such number of Independent Directors as it may deem fit, for a term specified in the resolution appointing him. An Independent Director may be appointed to hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of Special Resolution and such other compliances as may be required in this regard. No Independent Director shall hold office for more than two consecutive terms. The provisions relating to retirement of directors by rotation shall not be applicable to appointment of Independent Directors. |
| Qualification of Directors | 79. Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director. |
| Remuneration of Directors | <p>80. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.</p> <p>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 a resolution passed by the Company in General Meeting.</p> <p>Every non-executive Director shall be paid a sitting fee not exceeding the limits prescribed in the Companies Act, 2013 or any amendment thereof for each meeting of the Board of Directors or of any committee thereof attended by him as may from time to time be fixed by the Board and shall be paid in addition thereto all travelling, hotel and other expenses properly incurred by him in attending and returning from the meetings of the Board of Directors or any committee thereof or General Meeting of the company or in connection with the business of the Company to and from any place.</p> |
| Special Remuneration | 81. If the Director is called upon to go or reside out of his usual place of residence on the Company's business or to otherwise perform extra service or make special exertion or effort, the Board may arrange with such director for special remuneration for such extra service or special exertion or effort either by a fixed sum or otherwise as may be determined by the Board. |
| Additional Director | <p>82. The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the limit of maximum number of Directors.</p> <p>Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.</p> |

Appointment
of an Alternate
Director

83. The Board may appoint an alternate director to act for a Director during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst, he holds office as an alternate Director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly, but shall ipso-facto vacate office if and when the original director returns to the State in which meetings of the Board are ordinarily held or the original Director vacates office as a Director.

Appointment of Director by
Finance Corporation etc.

84. Where any investment and finance corporation such as the Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India, or any etc other corporation, or any Bank or the Central or State Government makes a loan to or gives a guarantee for the Company such Corporation, Bank, Government or Body shall be entitled to appoint a Director if that be agreed to as a condition for granting the loan or giving the guarantee. The Director(s) so appointed shall subject to the provision of the Act, not be a Director(s) whose period of office is liable to determination by retirement by rotation. The Director(s) so appointed shall have the same powers and privileges as the Director(s) of the Company, and shall hold office at the pleasure of and shall be removable or substituted by another person by such Corporation, Bank Government or Body, as the case may be.

Managing Director and
Whole- time Director

85. Subject to the provisions of the Act and these Articles, the Board shall have the power to appoint, remove, replace and dismiss at the same time more than one Managerial Personnel including Managing Director and Whole-time Directors, upon such terms and conditions as the Board thinks fit and, the Board may by resolution vest in such Managerial Personnel powers, as it thinks fit, hereby vested in the Board generally, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as the Board may determine.

Subject to the provisions of Law and requisite permission/ approvals of the shareholders and the Central Government, if required, the remuneration of the Managerial Personnel, shall be such as may be determined by the Board from time to time and may be by way of monthly payment, fee for each meeting or participation in profits or by any or all these modes or any other mode not expressly prohibited by the Act.

The term and period of appointment of the Managerial Personnel shall be determined by the Company from time to time.

Directors Minimum
Managerial Remuneration
in the absence or inadequacy
of profits

86. If in any financial year the Company has no profits or its profits are inadequate, the Company may pay to any Director(s) (including any Managing or whole-time Director), its Manager, if any, or if there are two or more of them holding office in the company, to all or them together, by way of minimum remuneration such sum as it considers desirable.

Debenture
Directors

87. Any trust deed for securing debentures or 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 debenture stock of any person to be a Director or Directors of the Company and may empower such trustees or holders or debentures or debenture stock from time to time to remove any Director(s) so appointed.

Such Director(s) shall not be a Director(s) whose period of office is liable determination by retirement by rotation.

The trust deed may contain such ancillary provisions relating to the Management of the Company or otherwise as may be arranged between the Company and the Trustees, and such provisions shall have effect notwithstanding any of the other provisions herein contained.

Director to retire by rotation

88. Subject to the provisions of Section 152 of the Act at every Annual General Meeting, one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third, shall retire from office.

The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot. A retiring Director shall be eligible for re-election.

Board may fill up Casual vacancy

89. At the Annual General Meeting at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.

If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a National Holiday, till the next succeeding day which is not a holiday, at the same time and place.

If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :-

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

Power to Remove Director

90. Subject to provisions of Section 169 of the Act, the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.

Rights of Directors

91. Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights

and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.

All matters shall be decided by the Board by a simple majority, and in case of an equality of votes the Chairperson shall have a second or casting vote.

Each Director shall be entitled to exercise one vote.

The Directors shall not be required to hold any qualification shares.

POWERS OF THE BOARD

General Powers

92. The management and business of the Company shall be vested in the Board of Directors, who may exercise all such powers of the Company as are not by the Act or any statutory modification thereof for the time being in force, or by these presents, required to be exercised by the Company in General Meeting, subject nevertheless to any regulation of these presents, to the provisions of the said Act, and to such regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in General Meeting, but no regulation made by the Company in General meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Subject to the provisions of Section 179 of the Act and other provisions of the Act and rules there under, the Board may delegate from time to time and at any time to committee formed out of the Directors any of its powers, authorities, and discretion for the time being vested in the Board and any such delegations may be made on such terms and subject to such conditions as the Board may think fit.

The Board may appoint, at any time and from time to time by a power of attorney under the Company's seal any person to be the attorney of the company for such purposes and with such powers, authorities and discretions not exceeding those vested in or exercisable by the board under these Articles and for such period and subject to such conditions as the Board may from time to time thinks fit, and any such appointment may, if the Board thinks fit, be made in favour of the members or any of the members of any firm or company, or the members, directors, nominees or manufacturers of any firm or Company or otherwise in favour of anybody or persons, whether nominated directly or indirectly by the Board, and any such power of attorney may contain such provision for the protection or convenience of persons dealing with such attorney as the Board may think fit.

The Board may authorise any such delegate, or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in it.

Subject to the provisions of Section 179, the Board may delegate all or any of their powers to any Directors jointly or severally or to any one Director at their discretion.

BORROWING POWERS

Conditions on which Money May be Borrowed

93. The Board may, from time to time, and at its discretion, subject to the provisions of the Act and these Articles, accept deposits from Shareholders either in advance of calls or otherwise and generally raise or borrow moneys, either

from the Directors, their friends and relatives or from others for the purposes of the Company and/or secure the payment of any such sum or sums of money, provided however, where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in ordinary course of business) and remaining outstanding and undischarged at that time exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such money without the consent of the Company in a General Meeting by an ordinary resolution. The Board may raise and secure the payment of such sum or sums in such manner and upon such terms and conditions as it thinks fit, and in particular by receiving deposits, issue of bonds, debentures perpetual, redeemable, debenture stock, or any security of the Company or by mortgage or charge or other security upon all or any part of the property or undertaking of the Company (both present and future), including its uncalled capital for the time being; provided that the Board shall not give any option or right to any person for making calls on the Shareholders in respect of the amount unpaid for the time being on the Shares held by them, without the previous sanction of the Company in a General Meeting.

Debentures may be assignable free from equities

94. Debentures, debenture Stock, bonds or Other Securities may be made assignable free from any equities the Company and the person to whom the same be issued.

Securities may be issued at discount or with special privileges

95. Any debentures, debenture stock, bonds or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any special privileges as to redemption, surrender drawings, allotment of shares, appointment of Directors and otherwise, provided however, that no debentures with the right to conversion into or allotment of shares shall be issued except with the consent of the company in General Meeting.

Powers to be exercised by Board only at a meeting

96. Subject to the provisions of the Act, the Board shall exercise the powers as prescribed in the Act, on behalf of the Company and the said power shall be exercised only by resolution passed at the meetings of the Board.

PROCEEDINGS OF THE BOARD

Number of Board Meetings

97. A minimum number of four meetings of the Directors shall have been held in every year in such a manner that not more than one hundred and twenty days shall intervene between two consecutive meetings of the Board. The Directors may meet together for the conduct of business, adjourn and otherwise regulate their meeting and proceedings, as they think fit.

Notice of Board Meeting

98. The Chairperson may at any time summon a meeting of the Board and the Chairperson or a Secretary, on the requisition of a Director, shall at any time summon a meeting of the Board. Subject to provisions of Section 173 (3) of the Act, notice of not less than seven days of every meeting of the Board of Directors of the Company shall be given in writing to every Director at his address registered with the company and shall be sent by hand delivery or by post or through electronic means. The meeting of the Board may be called at a shorter notice to transact urgent business subject to the condition that at least one Independent Director of the Company shall be present at the meeting. In the event, any Independent Director is not present at the meeting called at shorter notice, the decision taken at such meeting shall be circulated to all the

directors and shall be final only on ratification thereof by at least one Independent Director.

Quorum of Board Meetings

99. The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one third being rounded off as one), or two directors whichever is higher and the directors participating by video conferencing or by other audio visual means shall also be counted for the purposes of quorum. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the number of the Directors who are not interested, being not less than two, shall be the quorum during such time.

Explanation:

The expressions "interested Director" shall have the meanings given in Section 184(2) of the Act and the expression "total strength" shall have the meaning as given in Section 174 of the Act.

With regard to every meeting conducted through video conferencing or other permitted means, the scheduled venue of the meetings shall be deemed to be in India, for the purpose of specifying the place of the said meeting and for all recordings of the proceedings at the meeting.

Save as otherwise expressly provided in the Act, a meeting of the Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the votes.

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

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.

Chairperson

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

If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of their members to be Chairperson of the meeting.

Committees

101. The Board may, subject to the provisions of the Act, delegate any of its powers to Committees consisting of such member or members of its body as it thinks fit.

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

The participation of Directors in a meeting of the Committee may be either in

person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

A Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

A Committee may meet and adjourn as it thinks fit.

Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present. In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

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 be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

102. Subject to the provisions of the Act, resolutions of the Board may be passed by circulation, if the resolution has been circulated in draft, together with necessary papers, if any, to all the Directors or members of the committee, as the case may be, at their addresses registered with the company in India by hand delivery or by post or by courier, or through such electronic means as may be prescribed and has been approved by a majority of the directors or members, who are entitled to vote on the resolution:

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

A resolution under sub-section (1) shall be noted at a subsequent meeting of the Board or the committee thereof, as the case may be, and made part of the minutes of such meeting.

KEY MANAGERIAL PERSONNEL (KMPs)

103. Subject to the provisions of the Act, a Key Managerial Personnel may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit and the Key Managerial Personnel so appointed may be removed by means of a resolution in the Board Meeting. Such personnel may be appointed to perform any functions, which by the Act are to be performed by the Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer respectively and to execute any other managerial, ministerial or administrative duties or functions, which may from time to time, be assigned to any of them by the Board of Directors.

The Board of Directors may from time to time appoint one or more Chief Executive Officers for its multiple businesses.

A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

An individual can be the Chairperson of the Company as well as the Managing Director and/ or Chief Executive Officer of the Company, at the same time.

Register of KMPs and
their shareholding

104. The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by Section 170 of the Act of its Directors and Key Managerial Personnel and shall send to the Registrar of Companies returns as required by the Act.

REGISTERS, INSPECTIONS AND COPIES THEREOF

Statutory
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 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.

Any Director or Member or person can inspect the statutory registers maintained by the company, which may be available for inspection of such Director or Member or person under provisions of the act by the company, provided he gives fifteen days notice to the company about his intention to do so.

Any Director or Member or person can take copies of such registers of the company by paying Rs. 10 per page to the company. The company will take steps to provide the copies of registers to such person within Fifteen days of receipt of money.

DIVIDENDS AND RESERVES

Dividend

106. The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.

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.

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

The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

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 whereof 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.

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.

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.

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.

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

Every such electronic transfer, cheque or warrant shall be made payable to the order of the person to whom it is sent or to such person as the holder or joint holders may, direct the payment of the cheque or warrant if surporting to be duly endorsed shall be a good discharge to the Company. Payment in any way whatsoever shall be made at the risk of the person entitled to the money represented thereby.

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.

Notice of any dividend that may have been declared shall be given to the persons entitled to share thereto in the manner mentioned in the Act.

No dividend shall bear interest against the Company.

107. No unclaimed dividend shall be forfeited by the Board and unpaid and/ or unclaimed dividend shall be dealt in accordance with Section 124 of the Companies Act, 2013.

ACCOUNTS

108. 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.

The Board of Directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books and documents of the Company or any of them shall be open to the inspection of the members, and no member (not being a Director) shall have any right of inspecting any account or books or documents

of the Company except as conferred by statute or authorised by the Directors or by the resolution of the Company in General Meeting.

Section 129 of the Act at every Annual General Meeting of the Company the Directors shall lay before the Company a Financial Statements for each financial year. The financial Statements shall be signed in accordance with the provisions of Section 134 of the said Act. Every account when audited and approved by a General Meeting shall be conclusive.

AUDIT

Audit

109. At least once in every year, the accounts of the Company shall be balanced and audited and the correctness of the statement of profit and loss and balance sheet ascertained by one or more Auditor or Auditors to be appointed as required under the Act.

The remuneration of the Auditors of the Company shall be fixed and determined in accordance with the provisions of Section 142 of the Act. The power and duties of the Auditor shall be the same as those provided in the Act.

ANNUAL RETURNS

Annual Return

110. The Company shall make the requisite annual return in accordance with Section 92 of the Act.

SECRECY

Secrecy

111. Subject to the provisions of Act, no member shall be entitled to inspect the Company works without the permission of the Director, or Managing Director, or to require discovery of or any information respecting any details of the Company's manufacturing process, technology, marketing strategies, trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interests of the Company to communicate to the public.

Every Director, Managing Director, Manager, Company Secretary, Auditor, Trustee, Members of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company, shall if so required by the Directors before entering upon his duties, or at any time during his term of office, sign a declaration pledging himself to observe strict secrecy respecting all transactions of the Company and the state of accounts and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or any meeting or by a Court of Law or by the person to whom such matters relate and expect so far as may be necessary in order to comply with any of the provisions of these Articles or law.

INDEMNITY AND INSURANCE

Indemnity

112. Subject to the provisions of the Act, the Managing Director and every Director, Manager, Company Secretary and other officer or Employee of the Company shall be indemnified by the Company against any liability, and it shall be the duty of Directors out of the funds of the Company to pay, all costs and losses and expenses (including travelling expenses) which any such Director, Officer or employee may incur or become liable to by reason of any contract entered

into or act or deed done by him as such Managing Director, Director, Company Secretary, Officer or Employee or in any way in the discharge of his duties.

Individual Responsibility of Directors

113. Subject to the provisions of the Act, no director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expense happening to or incurred by the Company through the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, firm or company to or with whom any moneys, securities or effects shall be entrusted or for any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

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.

SEAL

Seal

114. The Company shall have a Common Seal and the Board of Directors shall provide for the safe custody thereof. Subject to as otherwise required by the Act and the rules framed thereunder, the Seal shall not be affixed to any Instrument except by the authority of a resolution of the Board and except in the presence of at least one Director and the Secretary or such other persons as the Board may appoint for the purpose, and such Director and Secretary or such other person as aforesaid shall sign every instrument to which the Seal of the company is so affixed in their presence.

MISCELLANEOUS

Call of shares

115. As option or right call of shares may be given only to a person with the sanction of the Company in General Meeting.

Applicability of the Act as to matters not covered by Articles

116. Save as provided hereinabove in respect of any matter not covered under these Articles the provisions of the Act with such statutory modifications, rules, regulations or amendments, may for the time being be in force, shall apply.

Residual authority

117. 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.

AUTHENTICATION OF DOCUMENTS

Authentication of document and proceeding

118. Save as otherwise expressly provided in the Act or these Articles, a document or proceeding requiring authentication by the Company may be signed by a Director, or the Managing Director or an authorised officer of the Company and need not be under its seal.

WINDING UP**Winding Up**

119. Subject to the applicable provisions of the Act and the Rules made thereunder -

- (a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (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.

Names, addresses and Descriptions of subscribers	Number of shares taken by each subscribers	Signature
KARTAR NATH TALWAR of Allied Motors Private Ltd., Scindia House, Janpath, New Delhi <i>Merchant and Landlord.</i>	One	Sd/- Kartar Nath Talwar
JEHANGIR RUSTAMJI MODY of 54, Diplomatic Enclave, New Delhi Industrial Consultant	One	Sd/- Jehangir Rustamji Mody

Witness to the signature of the above named
ELIJAH E. JHIRAD
Barrister-at-law
Advocate, Supreme Court of India

Dated the 3rd day of September, 1956

Certified True Copy
For Talbros Automotive Components Ltd.

Seema Narang
Seema Narang
Company Secretary



Form No. 41
IN THE HIGH COURT OF DELHI AT NEW DELHI
 (ORIGINAL JURISDICTION)
 IN THE MATTER OF COMPANIES ACT, 1956
 AND
IN THE MATTER OF MESSRS PAYEN TALBROS LIMITED
 (Transferee Company)
 AND
IN THE MATTER OF MESSRS AEW JANSON LIMITED
 (Transferor Company)

COMPANY PETITION NO. 11 OF 1978
 connected with
 COMPANIES APPLICATION NO. 672 OF 1977

Messrs Payen Talbros Limited,
 13-D, Sagar Apartments,
 6, Tilak Marg,
 New Delhi.

..... Petitioner

Before the Hon'ble Mr. Justice D. K. Kapur

Dated 4th May, 1978 / 25th July, 1978

ORDER ON PETITION

The above petition coming on for hearing on the 4th May, 1978 and again on the 25th July, 1978, upon reading the said petition the order dated 15th November, 1977 whereby Messrs Payen Talbros Limited (hereinafter referred to as the Transferee Company) was ordered to convene a meeting of its equity shareholders for the purpose of considering and it thought fit, approving, with or without modification, the proposed scheme of amalgamation between the Transferee Company and Messrs AEW Janson Limited (hereinafter referred to as the Transferor Company) and annexed to the affidavit of Shri Wishwa Nath Talwar filed on 28th of October, 1977, the National Herald dated 28th November, 1977 and the Patriot dated 29th November, 1977, each containing the advertisement of the said notice convening the said meeting directed to be held by the said order dated 15th November, 1977 the affidavit of Shri Wishwa Nath Talwar filed on 9th December, 1977 showing the publication and despatch of notices convening the said meeting, the report of the Chairman of the said meeting dated 9th January, 1978 as to the result of the said meeting representation of the Central Government dated 29th April, 1978, and upon hearing Shri V. N. Koura, Advocate, in support of the petition and Shri V. P. Singal for the Central Government, and it appearing from the report of the Chairman that the proposed scheme of amalgamation has been approved by majority of not less than three-fourth equity shareholders present and voting in person or by proxy;

This Court doth hereby sanction the scheme of amalgamation set forth in the Schedule hereto and doth hereby declare the same to be binding on the Transferee Company and on its shareholders;

And this Court doth further Order :-

That the parties to the scheme of amalgamation or other persons interested shall be at liberty to apply to this court for any direction that may be necessary in regard to the working of scheme of amalgamation, and

That the said Transferee Company do file with the Registrar of Companies a certified copy of this order within 30 days from this date.

SCHEDULE

The Scheme of Amalgamation as sanctioned by the Court.

1. As and from the date of the vesting order made under Section 394 of the Companies Act, 1956 PAYEN TALBROS shall take over the whole of the assets and liabilities of JANSON.

2. The issued capital of PAYEN TALBROS shall be increased for the purpose of the acquisition by PAYEN TALBROS of the undertaking and assets by the issue of ordinary shares of Rs. 10/- (Rupees Ten only) each of an amount required to be issued to the shareholders of JANSON.
3. (a) The shares in the capital of PAYEN TALBROS to be allotted as the consideration payable by PAYEN TALBROS shall be allotted as soon as practicable after the date of the order in Form No. 42 credited as fully paid-up, as follows, namely, to each holder of equity shares in the capital of JANSON, other than PAYEN TALBROS, shall be allotted ordinary shares PAYEN TALBROS on the basis of 1 (one) ordinary share of a nominal value of Rs.10/- (Rupees ten only) credited as fully paid-up in PAYEN TALBROS for every 4 (Four) equity shares of a nominal value of Rs.10/- (Rupees Ten only) each held as JANSON.
- (b) The above conversion is based on a value of Rs.5/- (Rupees Five only) fixed for each equity share of JANSON bearing a nominal value of Rs.10/- (Rupees Ten only), and on a value of Rs.20/- (Rupees Twenty Only) fixed for each ordinary share of PAYEN TALBROS bearing a nominal value of Rs. 10/- (Rupees Ten only). Accordingly ordinary share in PAYEN TALBROS shall be issued to the equity shareholders of JANSON at Premium of Rs.10/- for each ordinary shares.
- (c) Fractions arising out of the conversion aforesaid shall be adjusted at the option of the shareholder either by PAYEN TALBROS paying the concerned shareholder of JANSON the unadjusted amount on his fractional holding at the valuation of each equity share of JANSON at Rs.5/- (Rupees Five only) or by issuing him a fully paid ordinary share of PAYEN TALBROS at the value of Rs.20/- per share on the member paying PAYEN TALBROS the shortfall in cash. The option shall be Exercise is writing by the member within 30 (thirty) days of the order in Form No. 42.
4. Every member of JANSON shall unless and so far as PAYEN TALBROS shall waive this requirement at any time after the Scheme shall have become operative, surrender to PAYEN TALBROS for cancellation the certificates of his holdings in JANSON before and as a condition of the issue to him by PAYEN TALBROS to which he is entitled under this Scheme.
5. An office copy of the order of the Court sanctioning the Scheme shall for the purpose of Section 75(1)(b) of the Companies Act, 1956, be deemed to be a contract in writing constituting the title of the allottees of share in PAYEN TALBROS to all such shares that shall be issued to them respectively under and in accordance with this Scheme.
6. As and from the date specified in the order made under Section 394 of the Companies Act, 1956 in this behalf JANSON shall be dissolved without winding up.
7. For the purpose of drawing up the Balance-Sheet and Profit and Loss Account, the amalgamation herein contemplated shall be deemed to take effect from September 1, 1977 and from the date until the assets so to be transferred are duly vested in PAYEN TALBROS, JANSON shall be deemed to have been and to be carrying on business for and on account of PAYEN TALBROS.

4th day of May, 1978.

Dated this _____
25th day of July, 1978.

Sd/-
M. L. Jain
REGISTRAR

(BY THE COURT)

(Words : 1250)
Costs 3.25

TRUE COPY
Sd/-
Examiner

IN THE HIGH COURT OF DELHI AT NEW DELHI
 (ORIGINAL JURISDICTION)
 IN THE MATTER OF COMPANIES ACT, 1956
 AND
 IN THE MATTER OF SCHEME OF ARRANGEMENT
 BETWEEN

COMPANY PETITION NO. 68/95
 CONNECTED WITH
 COMPANIES APPLICATION NO. 3/95

IN THE MATTER OF TALBROS AUTOMOTIVE COMPONENTS LTD.

Having its Registered Office at 13-D, Sagar Apartment, 6-Tilak Marg, New Delhi

.....PETITIONER COMPANY

AND

COMPANY PETITION NO. 69/95
 CONNECTED WITH
 COMPANY APPLICATION NO. 2/95

IN THE MATTER OF TALBROS ENGINEERING LTD.

Having its Registered Office at 13-D, Sagar Apartment, 6-Tilak Marg, New Delhi

.....PETITIONER COMPANY

BEFORE THE HON'BLE MR. JUSTICE DALVEER BHANDARI

DATED THIS THE 28TH DAY OF JULY, 1995

ORDER ON PETITIONS

The above petitions coming on for hearing on 28/7/95 upon reading the said petitions the orders dated 20/1/95 and 31/1/95 whereby the above said petitioner companies were ordered to convene meeting of their shareholders and creditors for the purpose of considering and if through fit approving with or without modification the Scheme of Arrangement proposed to be made between Talbros Automotive Components Ltd. (hereinafter the referred to as the TACL) and Talbros Engineering Ltd. (hereinafter referred to as the TEL) and annexed to the affidavits of Sh. Rajesh Talwar in CA 2/95 and Sh. W.N. Talwar in CA 3/95 filed on 19/12/94 respectively and "Statement" (English) and "Veer Arjun" (Hindi) both dated 09.02.95 in CA 2/95 and CA 3/95 each containing the advertisement of said notices convening the said meeting directed to be held by the said orders dated 20/1/95 and 31/1/95 the affidavits of Chairpersons in CA 2/95 and 3/95 showing the publication and despatch of notices convening the said meetings. The report of Chairperson filed on 10/3/95 in CA 2/95 and 3/95, as to the result of said meetings and upon hearing Mr. P.V. Kapoor, Advocate with Mr. A.K. Chhabra, Advocate for the petitioners and it appearing from the report of the Chairpersons that the proposed Scheme of Arrangement has been approved unanimously by the said share holders and creditors of TACL and TEL present and voting in person or by proxy. The affidavits dated 17/7/95 of Dr. A.K. Doshi, Regional Director, Northern Region, Department of Company affairs, Kanpur on behalf of the Central Government inter alia stating that the affairs of the companies do not appearing to have been conducted in a manner prejudicial to the interest of their members or public interest. The Official Liquidator also having not opposed the Scheme of Arrangement.

THIS COURT DOTH HEREBY SANCTION THE MODIFIED SCHEME OR ARRANGEMENT set forth in Schedule-I hereto Doth Hereby Declare the same to be binding on all the shareholders and creditors of TACL and TEL and their all concerned and doth approves the said Scheme of Arrangement from the "Date of Arrangement" i.e. 1/4/95 as mentioned in the Scheme.

THIS COURT DOTH FURTHER ORDER :

1. That all the property, rights and powers of the Engineering division of TACL specified in the first, second and third part of the Schedule II hereto and all other property, rights and powers of the Engineering division of TACL be transferred without further act or deed to TEL and accordingly the same shall

- pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and rest in TEL for the all estate and interest of TACL therein but subject nevertheless to all charges now affecting the same;
2. That all the liabilities and duties of the Engineering Division of TACL be transferred without further act of deed to TEL and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956 be transferred to and become the liabilities and duties of TEL; and
 3. That all proceedings now pending by or against the Engineering Division of TACL be continued by or against TEL; and
 4. That TEL do without further application allot to such members of the Engineering division of TACL as have not given such notice of dissent as is required by clause given in the Scheme of Arrangement herein the shares in TEL to which they are entitled under the said arrangement; and
 5. That the Engineering Division of TACL do within 30 days after the date of this order cause a certified copy of his order to be delivered to the Registrar of Companies for registration and the Registrar of Companies shall place all documents relating to Engineering division of TACL and registered with him on the file kept by him in relation to TEL and the files relating to the said two Companies i.e. Engineering Division of TACL and TEL shall be consolidated accordingly; and
 6. That any person interested shall be at liberty to apply to the Court in the above matter for any directions that may be necessary.

SCHEDULE I

PART - I

DEFINITIONS

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

- A. "The Act" means the Companies Act, 1956.
- B. "The Date of Arrangement" means the date beginning with the business hours on the 1st (First) day of April, 1995 (One Thousand Nine Hundred and Ninety Five).
- C. "The Effective Date: means the day on which the last of the approvals specified in Clause 4 of Part III of this Scheme shall have been obtained.
- D. "TEL" means Talbros Engineering Limited an existing Company within the meaning of Companies Act, 1956, having its Registered Office at 13-D, Sagar Apartment, 6-Tilak Marg, New Delhi.
- E. "TACL" means Talbros Automotive Components Limited, an existing Company within the meaning of Companies Act, 1956, having its Registered Office at 13-D, Sagar Apartment, 6, Tilak Marg, New Delhi.
- F. "Engineering Division" means the business Undertaking of engineering Division established for manufacture, inter-alia, of engineering components for automotive industry as a division of TACL and shall means and include, all the undertakings, properties and liabilities of TACL pertaining to Engineering division including:
 - (a) All properties and assets, moveable and immovable, real and personal, corporal and incorporeal, in possession, or in reversion, present and future, contingent or of whatsoever nature, wheresoever situate, as on the Date of Arrangement including all lands located at 74-75, Sector VI, Faridabad, Haryana alongwith buildings, plant & machinery, vehicles, equipments, furniture, sundry debtors, investments, inventories, cash and bank balances, bills of exchange, deposits, loans and advances as appearing in the book of account of TACL and appertaining to the Engineering Division, leases, tenancy rights and agency of TACL pertaining to the Engineering Division and all other interests or rights in or arising out of or relating to such properties together with all rights, powers, interests, charges, privileges, benefits, entitlement, industrial and other licences, registration, quota, trade-marks, patents, copyrights, liberties, easements and advantages, appertaining to the said Engineering Division and/or which TACL is entitled to in

respect of the said Engineering Division of whatsoever kind, nature or description held, applied for or may be obtained thereafter or to which TACL is entitle to in respect of the Engineering Division together with the benefit of all contracts and engagements and all books, papers, documents and record relating to the said Engineering Division.

- (b) all debts, liabilities, duties and obligations of TACL pertaining to and/or arising out of the said Engineering Division as on the Transfer Date as appearing in the books of account of TACL and appertaining to the Engineering Division including liabilities on account of unsecured loans, sundry creditors, bonus, sales tax, excise and other taxation and contingent liabilities and additional liability for bonus whether or not provided for in the books of account of TACL except as hereinafter stated in Part II.
- (c) all permanent employees of TACL engaged in or in relation to the Engineering Division at its factory and branch and other office and all other assets and liabilities of TACL as hereinafter stated in Clause 2 of Part III.

WHEREAS TACL has three Division, viz, Engineering Division, Material Division and the Gaskets Division. The Gaskets Division is located at 14/1, Delhi Mathura road, Faridabad, Haryana and at Sidco Industrial Estate, Ambattur, Chennai whereas the Engineering Division is located at 74-75, Sector-VI, Faridabad and Materials Division at Village ATTA, Sohna, Gurgaon-122 001.

AND WHEREAS TEL was set up, inter-alia, for the purpose of manufacturing automotive engineering products and has yet to commence business.

AND WHEREAS

- (a) The Foreign Collaborators of TACL have interest only in the Gasket Division and are considering bringing fresh, equity and technology into India and otherwise enhancing their presence provided TACL's activities are confined to manufacture of Gaskets, allied materials or items.
- (b) TACL on the strength of confining itself to Gasket manufacturing activities can become a major player in this segment particularly if the Foreign Collaborators enhance their presence.
- (c) In this era of liberalisation, no Company without the backing of quality and brand name can continue to remain a market leader unless it upgrades its technology periodically. For this reason it has become absolutely necessary to carry out this Scheme for purposes explained.

PART - II

1. With effect from the Date of Arrangement the Engineering Division of TACL shall pursuant to Section 394(2) of the Act and without any further act, deed or thing be vested by operation of law in or be deemed to have been vested in TEL for all the estate and interest of TACL therein free from all charges, liens, lise pendens, mortgages and encumbrances, if any, affecting the same or any part thereof, subject to existing charges in favour of, the Company's Bankers and Financial Institutions, namely ICICI, UTI, HSIDC, Bank of India, ANZ Grindlays Bank, Sanwa and Exim Bank as may be modified, readjusted, apportioned and reallocated by them.
2. All debts, liabilities and obligations of TACL relating to the Engineering Division as on the close of business on the day immediately preceding the Date of Arrangement, whether provided for or not in the books of account of TACL and all other liabilities relating to the Engineering Division which may accrue or arise from the Date of Arrangement, but which relate to the period upto the day immediately preceding the date of Arrangement shall become the debts, liabilities, and obligations of TEL and TEL undertakes to meet, discharge and satisfy the same to the exclusion of TACL including liability for bonus further period upto 31st March, 1995, to the extent not provided in the books.
3. TACL undertakes to deal with the liabilities stated in Clause 2 hereof which are not vested into TACL and keep TEL indemnified from and against all liabilities, obligations, actions, claims and demands in respect thereof. In the event any such liability is required to be met and paid by TEL, TEL undertakwes to deal with all proceedings in respect thereof in consultation with TACL and to deal with the same as per advice of TACL and at the costs of TACL and TACL will indemnify and keep indemnified TEL from and against all liabilities, obligations, actions, claims and demands in respect thereof.

4. Similarly, all incomes, receipts and gains of whatsoever nature not accounted for but pertaining to the period upto the Date of Arrangement shall be to the account of TACL and TEL will hold the same in trust for TACL till it is satisfied in favour of TACL.
5. All legal or other proceedings by or against TACL whether pending on the Effective Date or any matter arising before the Date of Arrangement and relating to the Engineering Division (including those relating to any property, right, power, liabilities, obligation or duty of TACL in respect of Engineering Division) shall be continued and enforced by or against TACL only. If proceedings are taken against TEL, TEL will defend on notice or as per advice of TACL at the costs of TACL and TACL will indemnify and keep indemnified TEL from and against all liabilities, obligations, actions, claims and demands in respect thereof.
6. With effect from the Date of Arrangement and upto and including the Effective Date :
 - (a) TACL shall be deemed to have been carrying on or to be carrying on all business and activities relating to Engineering Division and stand possessed of the properties so to be vested in TEL for and on account of and in trust for TEL.
 - (b) All profits accruing to TACL or losses arising or incurred by it relating to Engineering Division shall for all purposes, be treated as the profits or losses, as the case may be of TEL.
7. TACL hereby undertakes from the Date of Arrangement upto and including the Effective Date :
 - (a) To carry on business of the Engineering Division in the ordinary course of business and not (without the prior written consent of TEL) to alienate, charge or otherwise deal with or dispose off the Engineering Division or any part thereof except in the usual course of business; and
 - (b) Not to utilise the profits, in any, relating to the Engineering Division for the purpose of declaring or paying any dividend in respect of the period falling on and after the Date of Arrangement;
8.
 - (a) TEL undertakes to engage, on and from the Effective Date, all the permanent employees of TACL engaged in the Engineering Division on the same terms and conditions on which they are engaged as on the Effective Date by TACL without any interruption of service as a result of the transfer. TEL agrees that the services of all such employees with TACL upto the Effective Date shall be taken into account for the purpose of all benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits;
 - (b) The accumulated, if any, standing to the credit of the employees and officers of the Engineering Division in the existing Provident Fund, Gratuity Fund and Superannuation Fund, of which they are members, will be transferred to such Provided Fund, Gratuity Fund and Superannuation Fund nominated by TEL and/or such new Funds to be established and caused to be recognised by the concerned authorities by TEL. Pending the transfer as aforesaid, the Providend Fund, Grauity Fund and Superannuation Fund dues to the said employees and Officers of the Engineering Division would be continued to be deposited in the existing Provident, Gratuity and Superannuation Funds respectively;
 - (c) TEL undertakes to pay, discharge and satisfy all debts, liabilities, duties and obligations of TACL relating to the Engineering Division on the close of business on the day immediately preceding the Date of Arrangement and all liabilities, debts, obligations relating to the Engineering Division which may accrue or arise after the Date of Arrangement but which relates to the period prior to the Transfer Date save and except the liabilities to be met and discharged by TACL in terms of Clause 2 hereof.
9. The vesting of the properties and liabilities of the Engineering Division under Clause 1 hereof and the continuance of the proceedings by or against TEL, under Clause 5 hereof shall not affect any transaction or proceeding already completed by TACL on and after the Date of Arrangement to the end and intent that TEL accepts all acts, deeds and things done and executed by and/or on behalf of TACL as acts, deeds and things done and executed by and on behalf of TACL.

10. Subject to the other provisions contained in this Scheme all contracts, deeds, bonds, agreements and other instruments of whatsoever nature relating to the Engineering Division to which TACL is a party subsisting or having effect immediately before the Effective Date shall remain in full force and effect against or in favour of TEL and may be enforced as fully and effectively as if instead of TACL, TEL had been a party thereto.
11. For the purpose of this Scheme, a Statement of Account as on the date preceding the Date of Arrangement shall be drawn up in respect of the assets and liabilities of the Engineering Division to be vested in TEL as per this Scheme. The said Statement of Account shall be drawn up on the basis of the books of account of TACL relating to the Engineering Division on the day immediately preceding the Date of Arrangement, i.e. as on 31st March, 1995, as audited by Auditors after incorporating any additional liability for bonus pertaining to the Engineering Division for the year April 1994 to March 1995, as may crystallise after the Date of Arrangement. All assets and liabilities shall be taken at the values as appearing in the books of account of TACL as on the day immediately preceding the Date of Arrangement and shall be reflected in the books of TEL at such values as aforesaid.
12. Upon the vesting of the Engineering Division to TEL pursuant to Clause 1 hereof and upon the Scheme becoming effective, TEL shall :

Issue and allot to the Equity Shareholders of TACL bearing distinctive Nos. 1 to 1400000 i.e. shares issued and allotted as on the date of the approval of this Scheme by the Board of the Directors of the two Companies without further application one Equity Share of Rs. 10/- each credited as fully paid up in TEL for every two Equity Shares of Rs. 10/- each held by such Equity Shareholders in TACL as on a record date to be fixed by the Board of Directors of TEL.
13. Upon the Scheme becoming effective and on the transfer and vesting of Engineering Division to TEL, existing charges shall continue in favour of the Company's Bankers and Financial Institutions namely ICICI, UTI, HSIDC, Bank of India, ANZ Grindlays Bank, Sanwa Bank and Exim Bank as may be modified, readjusted apportioned and reallocated by them.
14. Even after the Effective Date, TEL shall be entitled to realise all money and complete and enforce all pending contracts and transactions in respect of the Engineering Division in the name of TACL in so far as may be necessary until the transfer of rights and obligations of TACL to TEL under this Scheme is formally accepted by all concerned.

PART -III

1. TACL and TEL shall make necessary application before the Hon'ble Delhi High Court, for the sanction of this Scheme of Arrangement.
2. Save and except the Engineering Division of TACL and as expressly provided in this Scheme of Arrangement nothing contained in this Scheme of Arrangement shall affect the rest of the assets, liabilities and business of TACL which shall continue to belong to and be vested in and be managed by TACL.
3. TACL and TEL (through their respective Board of Directors) and in their full and absolute discretion, assent to any alteration or modification to this Scheme which the Court and/or any other authority may deem fit to approve or impose and may further give such directions as they may consider necessary to settle any question or difficulty arising under this Scheme or in any manner connected therewith.
4. The Scheme is conditional upon and subject to the following :
 - (a) The Scheme being approved by the respective requisite majorities of the members of TACL and TEL and it being sanctioned by the Delhi High Court;
 - (b) The approval of lenders and trustees for debenture holders, wherever necessary, under any contract entered into with them by TACL and/or TEL;
 - (c) The certified copies of the Orders of the Delhi High Court being filed with the Registrar of Companies, concerned by both TACL and TEL.
5. TACL and/or TEL each be at liberty to withdraw from this Scheme of Arrangement in case any condition or alteration imposed by any Authority is unacceptable to them. All costs, charges and

expenses incurred in carrying out and implementing the terms and provisions of this Scheme and incidental thereto including those incurred during negotiations leading to the Scheme to be borne equally by TACL and TEL.

6. If any doubt or difference or issue shall arise between the parties hereto or any of their shareholders, creditors, employees and/or any other person as to the construction hereof or as to any account, valuation or appointment to be taken or made of any assets or liability transferred under this Scheme or as to the construction hereof or as to any account, valuation or apportionment to be taken or made or any asset or liability transferred under the Scheme or as to the accounting treatment thereof or as anything else contained in or relating to or arising out of this Scheme, the same shall be referred to arbitration and the law of arbitration as in force shall apply.

SCHEDULE II

PART - I

(Freehold Property of the Transferor Company)

- (i) All land measuring 4985.20 Sq. yards situated at Plot No. 74, Indl. Area, Sector - 6, Faridabad (Haryana) with factory shed and building boundary walls thereon and bounded as follows :

East : Dividing Road Sector - 6 & Sector - 7
 West : Haryana Stamping Ltd. Plot No. 79, Sector - 6 Faridabad.
 North : TACL OE Plant, Plot No. 75, Sector - 6, Faridabad.
 South : Suprim Plastic, Plot No. 73, Sector - 6, Faridabad.

Together with plant & machinery, tubewell appurtenment rights, tenanments & here-ditaments as well as electric installations, fixtures, fittings & office equipments etc. installed therein.

- (ii) All land measuring 5000 Sq. yards situated at Plot No. 75, Indl. Area, Sector - 6, Faridabad (Haryana) with factory shed and building, boundary walls thereon and bounded as follows:

East : Dividing Road Sector - 6 & Sector - 7
 West : Numex Industries, Plot No. 78, Sector - 6, Faridabad.
 North : Helex Engineering, Plot No. 76, Sector - 6, Faridabad.
 South : TACL ED, Plot no. 74, Sector - 6, Faridabad.

Together with plant & machinery, appurtenment rights, tenanments & here-ditaments as well as electric installations, fixtures, fittings & office equipments etc. installed therein.

PART - II

(Leasehold Property of the Transferor Company)

- NIL -

PART - III

(Description of the Stocks, Shares, Debentures of the Transferor Company)

- NIL -

C.P. 68/95 & 69/95

Given under my hand and the seal of this Court dated the 28th July, 1995

(By order of his Court)

Certified true copy

Sd/-

Examiner Judicial Deptt.
 High Court of Delhi

(M.A.Khan)
 REGISTRAR

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

ORIGINAL COMPANY JURISDICTION

COMPANY PETITION NO. 151 OF 2006

Connected with

COMPANY PETITION NO. 122 OF 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Section 394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121 003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon - 122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog, Vihar, Phase III, Gurgaon 122 016, Haryana

IN THE MATTER OF :

Petition of Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956 and having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121 003, Haryana through Mr. Pankaj Dhawan (Company Secretary, Transferee Company)

.....PETITIONER
(Transferee Company)

Petition under section 394 of the Companies Act, 1956 for sanctioning of the Scheme of Arrangement of Talbros Automotive Components Limited (Transferee Company/Petitioner) with XO Infotech Limited (Demerged Company) and XO Stamping Limited (Transferor Company) (**Annexure P-1**)

In the aforesaid circumstances it is respectfully prayed that :-

- i) The said Scheme of Arrangement between the Petitioner (Transferee Company) viz. Talbros Automotive Components Limited, with XO Infotech Limited (Demerged Company), and XO Stamping Limited (Transferor Company), may kindly be sanctioned by this Hon'ble Court so as to be binding on all the Shareholders and Creditors of the Petitioner (Transferee company) and all other persons concerned or connected or affected thereby.
- ii) Order that a notice of the hearing of the Petition be published in the "The Economic Times" (English, Delhi Edition), "Indian Express" (English/Delhi Edition), "Dainik Bhaskar" (English/Delhi Edition) and the Haryana Government Gazette as required by the Companies (Court) Rules 1959.
- iii) Sanction the Scheme of Arrangement, **ANNEXURE P-1**, so as to be binding with effect from the appointed date on both the parties hereto as also their respective share holders;
- iv) Order that as per the Scheme of Arrangement, **ANNEXURE P-1**, the property rights of the Transferor Company and the Demerged Undertaking of the Demerged Company and liabilities shall pursuant to sections 391/394 of the Act without any further act or deed be transferred to

vest in or be deemed to have been transferred to and vested in the Petitioner (Transferee Company) as per the terms of the Scheme.

- v) Order that all employees of the Transferor Company (XO Stampings Limited), and Demerged Undertaking of the Demerged Company (XO Infotech Limited) as on the Effective Date (as mentioned in the Scheme) shall become employees of the Petitioner (Transferee Company viz Talbros Automotive Components Limited) without any break or interruption in service and on the same terms and conditions on which they are engaged as on the Effective Date in the manner as provided in the scheme with effect from the Transfer Date.
- vi) Pass such further or other orders as may be deemed appropriate in the given circumstances such as incidental, consequential or supplemental matters as this Hon'ble Court may deem fit and necessary in the ends of justice and to secure the said Companies or arrangement being the said Scheme of Arrangement of the Petitioner (Transferee Company viz Talbros Automotive Components Limited) with Demerged Company (XO Infotech Limited) and Transferor Company (XO Stampings Limited), may also be passed.

COMPANY PETITION NO. 151 OF 2006**IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH**

1. **Company Petition No. 151 of 2006**
Date of Decision : February 01, 2007

In the matter of Scheme of Amalgamation between :

Talbro's Automotive Components Limited (Transferee company), a company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121 003

with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28, Electronic City, Sector 18, Gurgaon-122 016, Haryana,

And

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase III, Gurgaon 122 016, Haryana.

IN THE MATTER OF :

Talbro's Automotive Components Limited (Transferee company), a company incorporated under the Companies Act, 1956, and having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121 003, Haryana, through Mr. Pankaj Dhawan (Company Secretary, Transferee Company)

.....PETITIONER
(Transferee Company)

2. **Company Petition No. 152 of 2006**
Date of Decision : February 01, 2007

IN THE MATTER OF :

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, and having its registered office at 28, Electronic City, Sector 18, Gurgaon - 122 016, Haryana through Mrs. Vandana Arun (Company Secretary, Demerged Company).

.....PETITIONER
(Demerged Company)

3. **Company Petition No. 153 of 2006**
Date of Decision : February 01, 2007

IN THE MATTER OF :

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase III, Gurgaon 122 016, Haryana.

.....PETITIONER
(Transferor Company)

PRESENT : Shri Anand Chhibbar, Advocate for the petitioner companies.

HEMANT GUPTA, J.

This order shall dispose of Company Petition No. 151 of 2006 filed by Talbro's Automotive Components Limited (hereinafter to be referred as "the transferee company"), Company Petition No. 152 of 2006 filed by XO Infotech Limited (hereinafter to be referred as "the demerged company") and Company Petition No. 153 of 2006 filed by XO Stampings Limited (hereinafter to be referred as "the transferor company").

All the aforesaid three petitions under section 394 of the Companies Act, 1956 (hereinafter to be referred as "the Act") are for sanction of Scheme of Arrangement, Annexure P-1, of Talbros Automotive Components Limited, XO Infotech Limited and XO Stampings Limited.

Talbros Automotive Components Limited, the transferee company, was originally incorporated on September 08, 1956 under the Act in the name of Payen Talbros Private Limited and became a public limited company by name Payen Talbros Limited on December 04, 1975. Subsequently, the name of the transferee company was changed to Talbros Automotive Components Limited and a fresh certificate of incorporation was issued on April 07, 1979. The authorised share capital of the transferee company as on March 31, 2006 was Rs. 15,00,00,000/- divided into 1,50,00,000 equity shares of Rs.10/- each, whereas issued, subscribed and paid up share capital was Rs. 10,65,19,660/- divided into 1,06,51,966 equity shares of Rs. 10/- each.

XO Infotech Limited, the demerged company, was originally incorporated on June 26, 1994 under the Act in the name of XO Tronic Limited. Subsequently, its name was changed to XO Infotech Limited and a fresh certificate of incorporation was issued on March 10, 2000. The authorised share capital of the demerged company as on March 31, 2006 was Rs. 21,00,00,000/- divided into 2,10,00,000 equity shares of Rs.10/- each, whereas issued, subscribed and paid up share capital was Rs. 20,42,84,000/- divided into 2,04,28,400 equity share of Rs.10/- each.

M/s XO Stampings Limited, the transferor company, was incorporated on September 01, 1992 under the Act in the name of XO Stampings Private Limited and it became a Public Limited Company by name XO Stampings Limited vide certificate of incorporation dated December 02, 1996. The authorised share capital of the transferor company as on March 31, 2006, was Rs. 50,00,000/- divided into 5,00,000 equity shares of Rs.10/- each, whereas issued, subscribed and paid up share capital was Rs. 49,93,800/- Divided into 4,99,380 equity shares Rs.10/- each.

In the Scheme of Arrangement, Annexure P-1, IT Business undertaking of the demerged company is to merge into the transferee company as a going concern and transferor company has to amalgamate with the transferee company. The demerged company to merge with the transferee company comprises of software activities related to development of production, marketing and distribution of software and the hardware business activities related to manufacturing of PCB assemblies using SMT technology and contract manufacturing of electronic and other components. Such undertaking include all assets wherever situated, movable or immovable, plant and machinery and vehicles including the properties listed in Schedule A and B of the Scheme, etc. The Board of Directors of the transferee company vide resolution dated July 29, 2006 and the Board of Directors of transferor company and demerged company vide resolution dated July 31, 2006 have approved the Scheme of Arrangement between the demerged company, transferee company and the transferor company.

Earlier, this Court on 7.9.2006, on the petitions filed by the petitioner companies, directed convening of meetings of equity shareholders and unsecured creditors of the transferee company and that of equity shareholders of the demerged company to approve the Scheme of Arrangement. The meetings of equity shareholders, secured and unsecured creditors of the transferor company, secured and unsecured creditors of the demerged company and that of secured creditors of the transferee company were dispensed with. The Chairman appointed for such meetings has given their report that the equity shareholders and unsecured creditors of the transferee company have unanimously resolved that the Scheme of Arrangement be approved without any modification. The chairman appointed for convening the meetings of the equity shareholders of the transferor company has also reported that the equity shareholders have unanimously resolved that the Scheme of Arrangement be approved without modification.

Notice of the present petition was ordered to be issued to be published in the newspapers, namely, "Economic Times" (New Delhi Edition), "The Indian Express" (All India Edition), "Dainik Bhaskar" and the official gazette of Government of Haryana, Notice was also issued to the Regional Director, Northern Region, Ministry of Company Affairs, Noida as well as to the Official Liquidator attached to this Court. Such notices have been published but no objections have been received. The Official Liquidator in his report has submitted that the affairs of the transferor company i.e M/s XO Stampings Limited have not been conducted in any manner prejudicial to the interest of its members or the public interest.

The Regional Director in its report has pointed out that Para No. 9.3 of Section D of the Scheme contemplating the amount arising as an accounting differential for the transferee company on account of the difference between surplus of assets over liabilities of the demerged Undertaking and XOSL shall be adjusted or added to the general reserve of the transferee company and that such amount shall be free for distribution as dividend shall for all purposes constitute a part of the free reserves of the transferee company. It has been pointed out that such para of the Scheme is not in conformity with the provisions of the Act and normally accepted accounting principles, since surplus arising out of the scheme of amalgamation i.e Amalgamation reserve is of capital nature and cannot be considered as general reserve. In affidavit dated 30.01.2007 of Shri Pankaj Dhawan, the authorized representative of the transferee company, it has been stated that, in fact, the accounting differential that would arise pursuant to the provisions of the Scheme would result in an adjustment (i.e., a reduction) to the general reserve of the transferee company and there would not be any addition to the general reserve of the transferee company pursuant to the Scheme and there would not be any creation of additional reserves that would be available as free reserves for distribution as dividend. However, still it has been undertaken by the transferee company that reserves, if any, created for the transferee company pursuant to the Scheme of Arrangement would be treated as an Amalgamation Reserve which would be capital reserve not free for distribution as dividend.

In view of the said affidavit, the Scheme of Arrangement shall stand modified to that extent.

It has also been pointed out by the Regional Director that the valuation report prepared by M/s Ernst & Young, Chartered Accountants, has considered the merger of M/s Talbros International Limited and M/s XO Stampings Limited into M/s Talbros Automotive Components Limited for determining the exchanges ratio but there is no mention about the merger of M/s Talbros International Limited in the Scheme of Arrangement. It has been pointed out by Shri Anand Chhibbar that, in fact, initially the Scheme of Arrangement was proposed in respect of merger of M/s Talbros International Limited as well with M/s Talbros Automotive Components Limited and consent of the Bombay Stock Exchange was obtained. Subsequently, the Scheme of Arrangement was framed excluding the merger of M/s Talbros International Limited with M/s Talbros Automotive Components Limited and it is the said Scheme which was considered for approval by the Board of Directors of the transferor company, demerged company and the transferee company, Bombay Stock Exchange has granted no objection to the amended Scheme of Arrangement as well, Since the Scheme of Arrangement does not deal with M/s Talbros International Limited, reference of such company in the valuation report is inconsequential and does not affect the Scheme in any manner.

The Regional Director has also pointed out that in the Scheme of Arrangement, Schedules A and B i.e., immovable property of the demerged undertaking only deals with the land located at 28-29, Electronic City, Sector 18, Gurgaon and the Intellectual property of the demerged undertaking but a number of properties like land, building, tubewell, furniture & fixture, plant and machinery, office equipment, vehicles, computer and software are proposed to be transferred to the transferee company which have not been mentioned in the Scheme. In respect of such objection, learned counsel for the petitioner has pointed out that "Demerged Undertaking", as defined in Section 1.3 of the Scheme, deals with all assets wherever situated including movable and immovable, leasehold or freehold, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, vehicles, furniture, fixtures etc. The immovable properties in Schedule A was only illustrative. Similarly, intellectual property rights were illustratively listed in Schedule B; In the valuation report of Ernst & Young, Chartered Accountants attached as Annexure P-1 with affidavit dated 30.01.2007, it is apparent that the Net Assets Value method accepted for determining the fair exchange ratio, the Chartered Accountants have taken into consideration the Net Asset Value of equity shares of transferee company, demerged company as on 28.02.2006. The provisional balance sheet as at 28th February, 2006 attached as Annexure P-2 with affidavit dated 30.01.2007 gives the details of IT Undertaking and Remaining Business. The report of the Ernst & Young, Chartered Accountants, was open for inspection in terms of clause 22(6) of the Notice convening the meeting of the equity shareholders of the transferee company. Therefore, the equity shareholders of the transferee company were conscious of assets including plant, machinery, equipment etc. of IT Undertaking of demerged company and has approved the merger of the said IT Undertaking with the transferee company. Therefore, I do not find any substance in the report of the Regional Director that a number of properties were not mentioned in the Scheme.

COMPANY PETITION NO. 151 OF 2006

Thus, I am satisfied that the prayer made in the petitions deserves to be allowed. I also do not find any legal impediment to the grant of sanction to the Scheme of Amalgamation. Hence, sanction is hereby granted to the Scheme of Amalgamation, Annexure P-1, under section 391 (2) read with section 394 of the Act subject to modification of Para 9.3 of Section D in the manner suggested above. Consequent upon the amalgamation, the transferor company shall stand dissolved without resorting to the process of winding up. The order of sanctioning of Scheme shall be made by public notice in "Economic Times" (New Delhi Edition), "The Indian Express" (All India Edition), "Dainik Bhaskar" and official gazette of Government of Haryana within 30 days.

Any person interested shall be at liberty to approach this Court in the above noted matter for any directions that may be necessary.

The petitions stand disposed of in terms of the aforesaid order.

February 01, 2007

ks

Sd/-

HEMANT GUPTA
Judge

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH
(ORIGINAL COMPANY JURISDICTION)

COMPANY PETITION NO. 151 OF 2006
(Connected with Company Petition No. 122 of 2006)

Company Petition No. 151 of 2006

IN THE MATTER OF :

the Companies Act, 1956

IN THE MATTER OF :

Section 394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Component Limited (Transferee Company), a company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad-121 003, Haryana with XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic city, Sector 18, Gurgaon - 122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI Sectors - 37 Gurgaon-122 001, Haryana.

IN THE MATTER OF :

Petition of Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad-121 003, Haryana through Mr. Pankaj Dhawan (Company Secretary, Transferee Company).

.....PETITIONER
(Transferee Company)

PETITION UNDER SECTION 394 OF THE COMPANIES ACT, 1956 FOR SANCTIONING OF THE SCHEME OF ARRANGEMENT OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEE COMPANY/PETITIONER) WITH XO INFOTECH LIMITED (DEMERGED COMPANY) AND XO STAMPING LIMITED (TRANSFEROR COMPANY) (ANNEXURE P-1).

PRAYER :

- (a) The said Scheme of Arrangement between the Petitioner (Transferee Company) viz. Talbros Automotive Components Limited, with XO Infotech Limited (Demerged Company), and XO Stampings Limited (Transferor Company), may kindly be sanctioned by this Hon'ble Court so as to be binding on all the Shareholders and creditors of the Petitioner (Transferee Company) and all other persons concerned or connected or affected thereby :
- (b) Order that a notice of the hearing of the Petition be published in the "The Economic Times" (English, Delhi Edition), "Indian Express" (English/Delhi Edition) "Dainik Bhaskar" (English/Delhi Edition) and the Haryana Government Gazette as required by the Companies (Court) Rules, 1959;
- (c) Sanction the Scheme of Arrangement, ANNEXURE P-1, so as to be binding with effect from the appointed date on both the parties hereto as also their respective shareholders :
- (d) Order that as per the Scheme of Arrangement ANNEXURE P-1, the property rights of the Transferor Company and the Demerged Undertaking of the Demerged Company and liabilities shall pursuant to Sections 391/394 of the Act without any further act or deed be transferred to vest in or be deemed to have been transferred to and vested in the Petitioner (Transferee Company) as per the terms of the Scheme :

- (e) Order that all employees of the Transferor Company (XO Stampings Limited) and Demerged Undertaking of the Demerged Company (XO Infotech Limited) as on the Effective Date (as mentioned in the Scheme) shall become employees of Petitioner (Transferee Company viz Talbros Automotive Components Limited) without any break or interruption in service and on the same terms and conditions on which they are engaged as on the Effective Date in the manner as provided in the scheme with effect from the Transfer date;
- (f) Pass such further or other orders as may be deemed appropriate in the given circumstances such as incidental, consequential or supplemental matters as this Hon'ble Court may deem fit and necessary in the ends of justice and to secure the said Companies or arrangement being the said Scheme of Arrangement of the Petitioner (Transferee Company viz Talbros Automotive Components Limited) with Demerged Company (XO Infotech Limited) and Transferor Company (XO Stampings Limited), may also be passed.

Company Petition No. 122 of 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Section 391-394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura road, Faridabad-121 003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon -122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase III, Gurgaon - 122 016, Haryana

IN THE MATTER OF :

Petition of Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad-121 003, Haryana through Mr. Pankaj Dhawan (Company Secretary, Transferee Company)

.....PETITIONER

(Transferee Company)

PETITION UNDER SECTION 391 READ WITH SECTION 394 OF THE COMPANIES ACT, 1956 AND RULE 6 AND 9 OF THE COMPANIES (COURT) RULES 1959 FOR DISPENSING WITH THE MEETINGS OF ITS SECURED CREDITORS AND TO APPROVE THE SCHEME OF ARRANGEMENT (ANNEXURE P-1) OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEREE COMPANY) WITH XO INFOTECH LIMITED (DEMERGED COMPANY) AND XO STAMPINGS LIMITED (TRANSFEROR COMPANY)

PRAYER :

- (a) To give necessary directions as contemplated by Section 391-394 of the Companies Act, 1956, read with Rules 67-87 of the Companies (Court) Rules, 1959 for convening the meetings of the Equity Shareholders of the Transferee Company and incidental directions for determining the venue and time of the meeting, appointment of the quorum and procedure to be followed at the meeting, including voting by proxy, approval of the notices, publication thereof in the newspapers and other incidental directions in connection with the same to consider, and if thought fit, approve the Scheme, with or without modifications. The list of the Equity Shareholder being bulky in terms of numbers shall be shown at the time of any argument with the Hon'ble Court;

- (b) Give necessary directions as contemplated by Section 391-394 of the Companies Act, 1956 read with Rules 67-87 of the Companies (Court) Rules, 1959 for convening the meetings of the Unsecured Creditors of the Transferee Company and incidental directions for appointment of the Chairpersons for the said meetings, fix the quorum and procedure to be followed at the meeting, including voting by proxy, approval of the notices publication thereof in the newspapers and the Official Gazette and other incidental directions in connection with the same, and if thought fit, approve the Scheme, with or without modifications. The list of the Unsecured Creditors being bulky in terms of numbers shall be shown at the time of any argument with the Hon'ble Court;
- (c) To dispense with the meeting of the Secured Creditors of the Transferee Company for the purpose of considering and if thought fit approving, with or without modification, the Scheme. This Scheme is designed to consolidate the various auto components business interests in the Transferee Company. This Scheme will not adversely influence the interests of the Secured Creditors of the Transferee Company in any manner. No sacrifice or waiver is called for from the Secured Creditors of the Transferee Company nor are their rights sought to be modified in any manner. Secured Creditors represent financing by banks. Further, the consents of the Secured Creditors are annexed herewith and marked as ANNEXURE P-13. In view of this matter, the Transferee Company craves for a dispensation from the requirement of holding the meeting of Secured Creditors of the Transferee Company to consider and approve the Scheme;
- (d) Appoint Chairman or Co-Chairman for the said meetings;
- (e) Direct for the publication of Notice (s) of the said meetings, by giving 21 days clear notice before the day appointed for the said meetings, the same be published in Indian Express in English and Dainik Bhaskar in Hindi and also in the Haryana Government Gazette.
- (f) Direct posting of the Notice (s) convening the said meeting (s) by pre-paid Letter Post Under Certificate of Posting along with a copy of the Scheme of Arrangement (ANNEXURE P-1) and Explanatory Statement required to be sent under Section 393 (1) (a) of the Companies Act, 1956 and prescribed form of proxy to all Shareholders and Unsecured Creditors of the Transferee Company at their respective addresses or last known addresses.
- (g) That any of the chairman appointed by this Hon'ble Court for the said meetings or any other person authorised by them may sign one copy of the advertisement and notices of the said meeting (s).
- (h) That the quorum for the said meetings be fixed as per the Articles of Association of the Transferee Company and Proxies be allowed to attend the meetings.
- (i) That the value of each vote be directed to be determined in accordance with the books of the Transferee Company.
- (j) That the Chairman be directed to report to this Hon'ble Court, the results of the said meetings within 1 week from the date of conclusion of their respective meetings and their reports shall be verified by their Affidavits.
- (k) To pass such further and other order or orders as this Hon'ble Court may deem fit and proper.

COMPANY PETITION NO. 152 OF 2006
(Connected with Company Petition No. 123 of 2006)

Company Petition No. 152 of 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Section 394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Components Limited (Transferee Company) a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad 121 003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon - 122 016, Haryana and

XO Stamping Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI. Sector - 37, Gurgaon - 122 001, Haryana

IN THE MATTER OF :

Petition of XO Infotech Limited (demerged company), a Company incorporated under the Companies Act, 1956, having its registered office at 28, Electronic city, Sector 18, Gurgaon -122 016, Haryana through Mrs. Vandana Arun (Company Secretary, Demerged Company)

.....PETITIONER
(Demerged Company)

PETITION UNDER SECTION 394 OF THE COMPANIES ACT, 1956 FOR SANCTIONING OF THE SCHEME OF ARRANGEMENT OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEREE COMPANY) WITH XO INFOTECH LIMITED (DEMERGED COMPANY/PETITIONER AND XO STAMPINGS LIMITED (TRANSFEROR COMPANY) ANNEXURE P-1)

PRAYER :

- a) The said Scheme of Arrangement between the (Transferee Company viz, Talbros Automotive Components Limited with XO Infotech Limited (Demerged Company/Petitioner), and XO Stampings Limited (Transferor Company), may kindly be sanctioned by this Hon'ble Court so as to be binding on all the Shareholders and creditors of the Petitioner (Demerged Company) and all other persons concerned or connected or affected thereby :
- (b) Order that a notice of the hearing of the Petition be published in the "The Economic times" (English, Delhi Edition), "Indian Express" (English, Delhi Edition) "Dainik Bhaskar" (English/Delhi Edition) and the Haryana Government Gazette as required by the Companies (Court) Rules, 1959;
- (c) Sanction the Scheme of Arrangement, ANNEXURE P-1, so as to be binding with effect from the appointed date on both the parties hereto as also their respective shareholders :
- (d) Order that as per the Scheme of Arrangement ANNEXURE P-1, the property rights and liabilities of the Demerged Undertaking of the Demerged Company (Petitioner shall pursuant to Section 391/394 of the Act without any further act or deed be transferred to vest in or be deemed to have been transferred to and vested in the Transferee Company as per the terms of the Scheme;
- (e) Pass such further or other orders as may be deemed appropriate in the given circumstances such as incidental, consequential or supplemental matters as this Hon'ble Court may deem fit and necessary in the ends of justice and to secure the said Companies or arrangement being the said Scheme of Arrangement of the Transferee company (Talbros Automotive Components Limited) with Demerged Company (XO Infotech Limited) and Transferor Company (XO Stampings Limited), may also be passed.

Company Petition No. 123 of 2006**IN THE MATTER OF :**

The Companies Act, 1956

IN THE MATTER OF :

Section 391-394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad-121 003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon - 122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector - 37, Gurgaon-122 016, Haryana

IN THE MATTER OF :

Petition of XO Infotech Limited (Demerged Company), a Company incorporated under the Companies Act, 1956, having its registered office at 28, Electronic City, Sector 18, Gurgaon-122 003, Haryana through Mrs. Vandana Arun (Company Secretary, Demerged Company)

.....PETITIONER

(Demerged Company)

PETITION UNDER SECTION 391 READ WITH SECTION 394 OF THE COMPANIES ACT, 195 AND RULE 6 AND 9 OF THE COMPANIES (COURT) RULES 1959 FOR DISPENSING WITH THE MEETINGS OF ITS SECURED CREDITORS AND ITS UNSECURED CREDITORS AND TO APPROVE THE SCHEME OF ARRANGEMENT (ANNEXURE P-1) OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEREE COMPANY) WITH XO INFOTECH LIMITED (DEMERGED COMPANY) AND XO STAMPINGS LIMITED (TRANSFEROR COMPANY).

PRAYER :

- (a) To give necessary directions as contemplated by Section 391-394 of the Companies Act, 1956 read with Rules 67-87 of the Companies (Court) Rules, 1959 for convening the meetings of the Equity Shareholders of the Demerged Company and incidental directions for determining the venue and time of the meeting, appointment of the quorum and procedure to be followed at the meeting, including voting by proxy, approval of the notices, publication thereof in the newspapers and other incidental directions in connection with the same to consider, and if thought fit, approve the Scheme, with or without modifications. The list of the Equity Shareholders being bulky in terms of numbers shall be shown at the time of any argument with the Hon'ble Court;
- (b) To Dispense with the meeting of the Unsecured Creditors of the Demerged Company for the purpose of considering and if thought fit approving, with or without modification, the Scheme. This Scheme is designed to consolidate the various auto component business interests in the Transferee Company. The business of the Demerged Company will grow by leveraging on the Transferee Company's capabilities and strong customer base. This Scheme will not adversely influence the interests of the Unsecured Creditors of the Demerged Company in any manner. No sacrifice or waiver is called for from the Unsecured Creditors of the Demerged Company nor are their rights sought to be modified in any manner. The consents of the Unsecured Creditors are annexed herewith and marked as ANNEXURE P-10;
- (c) To dispense with the meeting of the Secured Creditors of the Demerged Company for the purpose of considering and if thought fit approving, with or without modification, the Scheme. The Scheme will not adversely influence the interests of the Secured Creditors of the Demerged Company in any manner. No sacrifice or waiver is called for from the Secured Creditors of the Demerged Company nor are their rights sought to be modified in any manner. Secured Creditors represent capital financing by banks. The consents of the Secured Creditors are annexed herewith and marked as ANNEXURE P-11;
- (d) Appoint Chairman or Co-Chairman for the said meetings :
- (e) Direct for the publication of Notice (s) of the said meetings, by giving 21 days clear notice before the day appointed for the said meetings, the same be published once each in Indian Express in English and Dainik Bhaskar in Hindi and also in the Haryana Government Gazette;

- (f) Direct posting of the Notice (s) convening the said meeting (s) by pre-paid Letter Post Under Certificate of Posting along with a copy of the Scheme of Arrangement (Annexure P-1) and Explanatory Statement required to be sent under Section 393 (1) (a) of the Companies Act, 1956 and Prescribed form of proxy to all Shareholders of the Demerged Company at their respective addresses or last known addresses.
- (g) That any of the Chairman appointed by this Hon'ble Court for the said meetings or any other person authorised by them may sign one copy of the advertisement and notice of the said meeting (s)
- (h) That the quorum for the said meetings be fixed as per the Articles of Association of the Demerged company and Proxies be allowed to attend the meetings.
- (i) That the value of each vote be directed to be determined in accordance with the books of the Demerged Company.
- (j) That the Chairman be directed to report to this Hon'ble Court, the results of the said meetings within 1 week from the date of conclusion of their respective meetings and their reports shall be verified by their Affidavits.
- (k) To pass such further and other orders or orders as This Hon'ble Court may deem fit and proper.

COMPANY PETITION NO. 153 OF 2006

(Connected with Company Petition No. 124 of 2006)

Company Petition No. 153 of 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Section 394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121 003. Haryana with

XO Infotech Limited (Demerged Company), a Company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon - 122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector - 37, Gurgaon-122 001, Haryana

IN THE MATTER OF :

Petition of XO Stampings Limited (Transferor Company), a Company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector - 37, Gurgaon-122 001, Haryana.

.....PETITIONER

(Transferor Company)

PETITION UNDER SECTION 394 OF THE COMPANIES ACT, 1956 FOR SANCTIONING OF THE SCHEME OF ARRANGEMENT OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEREE COMPANY) WITH XO INFOTECH LIMITED (DEMERGED COMPANY) AND XO STAMPINGS LIMITED (TRANSFEROR/ PETITIONER COMPANY).

PRAYER :

- (a) The said Scheme of Arrangement between the Transferee Company viz. Talbros Automotive Components Limited, with XO Infotech Limited (Demerged Company), and XO Stampings Limited (Transferor company or Petitioner), may kindly be sanctioned by this hon'ble Court so as to be binding on all the Shareholders

and creditors of the Petitioner (Transferor company) and all other persons concerned or connected or affected thereby :

- (b) Order that a notice of the hearing of the Petition be published in the "The Economic times" (English, Delhi Edition), "Indian Express" (English, Delhi Edition) "Dainik Bhaskar" (English/Delhi Edition) and the Haryana Government Gazette as required by the Companies (Court) Rules, 1959;
- (c) Sanction the Scheme of Arrangement, ANNEXURE P-1, so as to be binding with effect from the appointed date on both the parties hereto as also their respective shareholders;
- (d) Order that as per the Scheme of Arrangement ANNEXURE P-1, the property rights of the Transferor company and Demerged Company and liabilities shall pursuant to Sections 391/394 of the Act without any further act or deed be transferred to vest in or be deemed to have been transferred to and vested in the Transferee company as per the terms of the Scheme;
- (e) Pass such further or other orders as may be deemed appropriate in the given circumstances such as incidental, consequential or supplemental matters as this Hon'ble Court may deem fit and necessary in the ends of justice and to secure the said Companies or arrangement being the said Scheme of Arrangement of the Transferee Company (Talbro Automotive Components Limited) with Demerged Company (XO Infotech Limited) and petitioner or Transferor Company (XO Stampings Limited), may also be passed.

Company Petition No. 124 of 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Sections 391-394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbro Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad-121 003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic city, Sector 18, Gurgaon - 122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector - 37, Gurgaon-122 001, Haryana

IN THE MATTER OF :

Petition of XO Stampings Limited (Transferor Company), a Company Incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector - 37, Gurgaon-122 001, Haryana through Mr. Navin Juneja (Director, Transferor Company).

.....PETITIONER
(Transferor Company)

PETITION UNDER SECTION 391 READ WITH SECTION 394 OF THE COMPANIES ACT, 1956 AND RULE 6 AND 9 OF THE COMPANY (COURT) RULES 1959 FOR DISPENSING WITH THE MEETINGS OF ITS SHAREHOLDERS, SECURED CREDITORS AND UNSECURED CREDITORS AND TO APPROVE THE SCHEME OF ARRANGEMENT (ANNEXURE P-1) OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEREE COMPANY) WITH XO INFOTECH LIMITED (DEMERGED COMPANY) AND XO STAMPINGS LIMITED (TRANSFEROR COMPANY)

PRAYER :

- (a) To dispense with the meeting of the Equity Shareholders of the Transferor Company for the purpose of considering and if thought fit approving, with or without modification, the Scheme. This Scheme is

designed to consolidate the various auto component business interests in the Transferee Company M/s. Talbros Automotive Components Limited for the Company to emerge as an integrated auto components company with interests in the entire range of auto components which would ultimately benefit the shareholders of all companies. The list of the Equity Shareholders along with the consents are annexed herewith and marked as Annexure P-8.

- (b) To dispense with the meeting of the Unsecured Creditors of the Transferor company for the purpose of considering and if thought fit approving, with or without modification, the Scheme. This Scheme is designed to consolidate the various auto component business interests in the Transferee Company. This Scheme will not adversely influence the interests of the Unsecured Creditors of the Transferor Company in the manner. No sacrifice or waiver is called for from the unsecured Creditors of the Transferor Company nor are their rights sought to be modified in any manner. The list of the unsecured Creditors along with the consents are annexed herewith and marked as Annexure P-9.
- (c) To dispense with the meeting of the Secured Creditors of the Transferor Company for the purpose of considering and if thought fit approving, with or without modification, the Scheme. The Scheme will not adversely influence the interests of the Secured Creditors of the Transferor Company in any manner. No Sacrifice or waiver is called for from the Secured Creditors of the Transferor Company nor are their rights sought to be modified in any manner. Secured Creditors represent capital financing by banks. The consents of the Secured creditors are annexed herewith and marked as ANNEXURE P-10. In view of this matter, the Transferor Company craves for a dispensation from the requirement of holding the meeting of Secured Creditors of the Transferor Company to consider and approve the Scheme.
- (d) To pass such further and other order or orders as this' Hon'ble Court may deem fit and proper.

BEFORE THE HON'BLE MR. JUSTICE HEMANT GUPTA

Dated 1st of February, 2007

ORDER ON PETITION

The above Company Petition Nos. 122 of 2006, 123 of 2006 and 124 of 2006 came up for hearing on 7.9.2006; upon reading the said petitions, the order dated 7.9.2006, whereby separate meetings of Equity Shareholders and Unsecured Creditors of the Transferee Company were directed to be convened and held at Faridabad on 28.10.2006 and the meeting of Equity Shareholders of the Demerged Company was directed to be convened and held at Gurgaon on 29.10.2006 under the Chairmanship of Shri Kamal Sehgal, Advocate as Chairman and Shri Puneet Gupta, Advocate as Alternate Chairman; for the purpose of considering and, if thought fit, approving with or without modification the Scheme of Arrangement (annexure P-1) proposed to be made between the transferor, the demerged and transferee companies and whereas the requirement of convening and holding of the meetings of the Secured Creditors of the Transferee Company, Secured and Unsecured Creditors of the Demerged Company and Equity Shareholders, Secured and Unsecured Creditors of the Transferor Company were dispensed with; whereas annexed to the affidavit of Shri Kamal Sehgal, Advocate dated 24.10.2006; "Economic Times" (Delhi Edition) dated 1.10.2006 and "Indian Express" (All India Edition) dated 30.9.2006 and "Dainik Bhaskar" dated 30.9.2006 and Official Gazette of Government of Haryana dated 10.10.2006 showing publication of notice convening the aforesaid meetings of the Equity Shareholders and Unsecured Creditors of the Transferee Company and Equity Shareholders of the Demerger Company; the reports of the Chairman of the meetings as to the result of said meetings and upon hearing Shri Anand Chhibbar, Advocate for the petitioner companies and it appearing from the reports that the proposed Scheme of Arrangement has been approved by the requisite majority of the Equity Shareholders and Unsecured Creditors of the Transferee company and Equity shareholders of the Demerger Company present and voting in person and/or proxy and perusing all other materials placed on record;

This Court doth hereby order as under :

".....The Regional Director in its report has pointed out that Para No. 9.3 of Section D of the Scheme contemplating the amount arising as an accounting differential for the transferee company on account of the difference between surplus of assets over liabilities of the demerged Undertaking and XOSL shall be adjusted or added to the general reserve of the transferee company and that such amount shall be free for distribution as dividend and shall for all purposes constitute a part

of the free reserves of the transferee company. It has been pointed out that such para of the Scheme is not in conformity with the provisions of the Act and normally accepted accounting principles, since surplus arising out of the Scheme of amalgamation i.e. Amalgamation reserve is of capital nature and cannot be considered as general reserve. In affidavit dated 30.1.2007 of Shri Pankaj Dhawan, the authorized representative of the transferee company. It has been stated that, in fact, the accounting differential that would arise pursuant to the provisions of the Scheme would result in an adjustment (i.e., a reduction) to the general reserve of the transferee company and there would not be any addition to the general reserve of the transferee company pursuant to the Scheme and there would not be any creation of additional reserves that would be available as free reserves for distribution as dividend. However, still it has been undertaken by the transferee company that reserves, if any, created for the transferee company pursuant to the Scheme of Arrangement would be treated as an Amalgamation Reserve which would be a capital reserve not free for distribution as dividend....."

And this Court further order that this Court doth hereby sanction the Scheme of Arrangement set forth in the company Petition Nos. 151 of 2006, 152 of 2006 and 153 of 2006 and annexed as "Annexure P-1" to Company Petition Nos. 151 of 2006, 152 of 2006 and 153 of 2006 and in the Schedule hereto subject to modification of Para 9.3 of Section D in the manner suggested above and doth hereby declare the same to be binding on the Shareholders and Creditors of the above named Companies and also on the said companies and all concerned with effect from the appointed dates mentioned in the Scheme of Arrangement.

AND

The order of sanctioning the Scheme shall be duly notified by public notice in the "Economic Times" (New Delhi Edition), "Indian Express" (All India Edition) and "Dainik Bhaskar" and Official Gazette of Government of Haryana within 30 days.

That the said companies do file with the Registrar of Companies a certified copy of this order within 30 days from this date.

Any person interested shall be at liberty to approach this Court in the above matter for any directions as may be necessary.

SCHEDULE

Scheme of Arrangement as sanctioned by the Court.

SCHEME OF ARRANGEMENT

BETWEEN

XO Infotech Limited

Demerged Company

AND

XO Stampings Limited

Transferor Company

AND

Talbro Automotive Components Limited

Transferee Company

UNDER SECTION 391 READ WITH SECTION 394 OF THE COMPANIES ACT, 1956 AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS IN RESPECT OF DEMERGER OF INFORMATION TECHNOLOGY BUSINESS UNDERTAKING OF XO INFOTECH LIMITED AND AMALGAMATION OF XO STAMPINGS LIMITED INTO TALBROS AUTOMOTIVE COMPONENTS LIMITED.

PREAMBLE

Talbro Automotive Components Limited ("TACL") is a leading player in the gaskets segment in the auto components manufacturing business. XO Infotech Limited ("XOIL") is engaged in the IT business comprising hardware and software solutions, including, for the auto industry, as also in the business of trading of electronic components. The relative business strengths and the potential commercial & other synergies of these companies were examined and accordingly, the possibility of consolidating value of the business under a single entity was approved.

This Scheme seeks to achieve demerger of the IT Business Undertaking ("Demerged Undertaking" as defined later in this Scheme) of XOIL into TACL and merger of XOSL into TACL. This Scheme also provides for matters connected therewith, with a view to maximizing value for the shareholders.

Accordingly, this Scheme is divided into five sections, as follows:

Section A : General

Section B : Demerger of IT Business Undertaking

Section C : Amalgamation of XOSL into TACL

Section D : Issue of shares/Accounting treatment

Section E : Other provisions

SECTION A : GENERAL

- A. TACL is a listed company engaged in the business of manufacturing auto components. TACL has the largest market share in the organized domestic market for supply of gaskets. The company also exports its products to countries like USA, UK, Germany and Australia.
- B. XOIL is a listed company engaged in the IT business, comprising software and hardware business, and *inter alia* undertakes job work for manufacture of electronic control units and printed circuit boards used in automobiles and motor cycles and also undertakes trading of electronic components.
- C. XOSL is a public company engaged in the business of manufacturing sheet metal components used by the automobile industry. XOSL is not listed on any stock exchange.

D. The present Scheme involves the following :

- Demerger (on a going concern basis) of the IT Business Undertaking of XOIL into TACL with effect from March 1, 2006.
- Merger of XOSL with TACL with effect from April 1, 2006.
- In consideration thereof, issue of share by TACL to the shareholders of XOIL and XOSL on a proportionate basis, in compliance of the Companies Act, 1956, the Income Tax Act, 1961, and all other relevant laws and regulations.

E. The Board of Directors of XOIL, XOSL and TACL consider that the restructuring will result in benefit to all shareholders, creditors and employees of the companies.

1. DEFINITIONS

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

1.1 **"Act"** means the Companies Act, 1956 or any statutory modification or re-enactment thereof.

1.2 **"Appointed Date"** means:

1.2.1 in case of Demerger of IT Undertaking of XOIL into TACL, the 1st day of March, 2006; and

1.2.2 in case of Amalgamation of XOSL into TACL, the 1st days of April, 2006

or such other date as may be approved by the Hon'ble High Court of Punjab & Haryana.

1.3 **"Demerged Undertaking"** means the IT Business Undertaking of XOIL, located at Plot No. 28-29, Electronic City, Sector 18, Gurgaon - 122 016, Haryana on a going concern basis, comprising, inter alia, the software business activity related to development, production, marketing and distribution of software and the hardware business activity related to manufacturing of PCB assemblies using SMT technology and contract manufacturing of electronic and other components, as on the Appointed Date and shall include (without limitation):

- all the property of the Demerged Undertaking including all assets wherever situated, whether movable or immovable (including without limitation the immovable properties illustratively listed in Schedule A), leasehold or freehold, tangible or intangible, including all computers and accessories, software and related data, leasehold improvements, plant and machinery, offices, capital work-in-progress, vehicles, furniture, fixtures, office equipment, electricals, appliances, accessories, deferred tax assets or liabilities, investments pertaining to or relatable to the Demerged Undertaking;
- all liabilities present and future and the contingent liabilities (including the liabilities allocable as per Clause 5.8 of this Scheme) pertaining to or relatable to the Demerged Undertaking.
- all rights and licenses, all assignments and grants thereof, all permits, clearances and registrations whether under Central, State or other laws, rights (including rights/obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits, incentives or scheme of central/state governments including the Export Promotion Capital Goods ("EPCG") Scheme, certifications and approvals, regulatory approvals entitlements, other licenses, municipal permissions, approvals, consents, tenancies, investments and/or interest (whether vested, contingent or otherwise) in projects undertaken by the Demerged Undertaking either solely or jointly with other parties, cash balances, bank balances, bank accounts, deposits, advances, recoverables, receivables, easements, advantages, financial assets, hire purchase and lease arrangements, the benefits of bank guarantees issued by XOIL in relation to the Demerged Undertaking funds belonging to or proposed to be utilised for the Demerged Undertaking, privileges, all other claims, rights and benefits (including under any power of attorney issued by XOIL in relation to the Demerged Undertaking or any powers of attorney issued in favour of XOIL or from or by virtue of any proceeding before a legal, quasi judicial authority or any other statutory authority to which XOIL was a party), powers and facilities

of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities electricity, water and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Demerged Undertaking;

- all employees of XOIL that are determined by the Board of Directors of XOIL, to be substantially engaged in or in relation to the Demerged Undertaking;
- all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, earnest moneys and/or security deposits paid or received by XOIL, directly or indirectly in connection with or in relation to the Demerged Undertaking;
- all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programmes along with their licenses, manuals and back up copies, drawings, other manuals, data catalogues, quotations, sales, and advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Demerged Undertaking;
- all trademarks, trademark applications, trade names, patents and domain names, patent applications, copyrights, trade secrets, and other intellectual property and all other interests exclusively relating to the Demerged Undertaking, including those illustratively listed in **Schedule B**;

but shall not include any assets or liabilities relating to the Remaining Business of XOIL

It is intended that the definition of Demerged Undertaking under this clause would enable the transfer of all property, assets and liabilities of the IT Business Undertaking to TACL pursuant to this Scheme.

- 1.4 **"Demerged Company"** or "XO Infotech Limited" or "XOIL" means XO Infotech Limited, a Company incorporated under the Act and having its registered office at 28 Electronic City, Sector 18, Gurgaon - 122 016, Haryana.
- 1.5 **"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Clause 20 hereof have been fulfilled. References in this Scheme to the date of "coming into effect of the Scheme" shall mean the Effective Date.
- 1.6 **"Remaining Business"** means all other businesses (including the trading business), divisions, assets and liabilities of XOIL other than the Demerged Undertaking as defined in Clause 1.3.
- 1.7 **"Transferee Company"** or "Talbro's Automotive Components Limited" or "TACL" means Talbro's Automotive Components Limited, a company incorporated under the Act and having its registered office at 14/1, Delhi Mathura Road, Faridabad-121 003, Haryana.
- 1.8 **"Scheme of Arrangement"** or "this Scheme" or "the Scheme" means this Scheme of Arrangement in its present form or with any modifications made under Clause 22 of the Scheme.
- 1.9 **"Specified Date"** means date to be fixed by the Board of Directors or a committee thereof of XOIL and XOSL for the purpose of determining their respective members to whom shares will be allotted pursuant to Clause 7.1, Clause 7.2 respectively, of this Scheme.
- 1.10 **"Transferor Company"** or "XOSL" means XO Stampings Limited, a Company incorporated under the Act and having its registered office at 280-281, Udyog Vihar, Phase-VI, Near Khandasa Village, Sector-37, Gurgaon-122 001, Haryana
- 1.11 **"XOSL Undertaking"** shall mean and include the whole of the undertaking of XOSL, as a going concern, including all secured and unsecured debts, liabilities, deferred tax liabilities, contingent liabilities, duties and obligations and all the property of XOSL including its assets, whether movable or immovable (including the immoveable properties listed in Schedule 'C'), real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to all fixed and movable plant and machinery, computers and accessories, software, leasehold improvements, vehicles, fixed assets, work in progress, current assets, deferred tax assets, investments, reserves, provisions, funds, import entitlements, import licenses, other licenses,

registrations, copyrights, patents, trade names, trade marks, applications for copyrights, patents, trade names and trade marks, any other intellectual property whether registered or otherwise, labels, label designs, leases, licenses, tenancy rights, premises, hire purchase and lease arrangements, office equipment, electrical fittings, furniture and fittings, capital work in progress, telephones, telexes, facsimile connections, communication facilities, equipment and installations and utilities, electricity, water and other service connections, employees, benefits of agreements, contracts and arrangements, powers, authorities, permits, Central government/State Government incentives/schemes/benefits under any law in force, allotments, approvals, certifications, consents, privileges, balances with all regulatory authorities, liberties, advantages, easements and all the right, title, interest goodwill benefit and advantage, deposits, reserves, provisions advances, receivables, funds, cash, bank balances, accounts and all other rights, claims and powers, of whatsoever nature and wheresoever situated belonging to or in the possession of or granted in favour of or enjoyed by XOSL, as on the Appointed Date and all earnest money and/or deposits including security deposits paid by XOSL as on the Appointed Date.

1A. EXPRESSIONS NOT DEFINED IN THIS SCHEME

The expressions which are used in this Scheme and not defined in this Scheme, shall unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulation, bye-laws, as the case may be, or any statutory modification of re-enactment thereof from time to time. In particulars, wherever reference is made to High Court in the Scheme, the reference would include, if appropriate, reference to the National Company Law Tribunal or such other forum or authority as may be vested which the powers of the Hon'ble High Court under the Act.

2. DATE OF COMING INTO EFFECT

The Scheme shall come into legal operation from the Appointed Date, though it shall be effective from the Effective Date.

3. SHARE CAPITAL

- (i) The authorised, issued, subscribed and paid up capital of XOIL as on March 31, 2006 is as follow:

PARTICULARS	AMOUNT (Rs.)
<u>AUTHORISED CAPITAL</u>	
21,000,000 Equity Shares of Rs 10 each	210,000,000
<u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u>	
20,428,400 Equity Shares of Rs. 10 each	204,284,000

- (ii) The authorised, issued, subscribed and paid up capital of TACL as on March 31, 2006 is as follows:

PARTICULARS	AMOUNT (Rs.)
<u>AUTHORISED CAPITAL</u>	
15,000,000 Equity Shares of Rs 10 each	150,000,000
<u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u>	
10,651,966 Equity Shares of Rs. 10 each	106,519,660

- (iii) The authorised, issued, subscribed and paid up capital of XOSL as on March 31, 2006 is as follows:

PARTICULARS	AMOUNT (Rs.)
<u>AUTHORISED CAPITAL</u>	
5,00,000 Equity Shares of Rs 10 each	5,000,000
<u>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL</u>	
499,380 Equity Shares of Rs. 10 each	4,993,800

4. COMPLIANCE WITH TAX LAW

This Scheme,

- (i) in so far as it relates to the demerger of IT Business Undertaking of XOIL into TACL, has been drawn up to comply with the conditions relating to "Demerger" as specified under the tax laws, including section 2(19AA) of the Income tax Act, 1961, which provides the following conditions:
 - a. all the property of the undertaking, being transferred by the demerged company, immediately before the demerger become the property of the resulting company by virtue of the demerger;
 - b. all the liabilities relatable to the undertaking, being transferred by the demerged company, immediately before the demerger become the liabilities of the resulting company by virtue of the demerger;
 - c. the property and liabilities of the undertaking being transferred by the demerged company are transferred at values appearing in its books of account immediately before the demerger;
 - d. the resulting company issues, in consideration of the demerger, its shares to the shareholders of the demerger company on a proportionate basis;
 - e. the shareholders holding not less than three-fourths in value of the shares in the demerged company (other than shares already held therein immediately before the demerger, or by a nominee for, the resulting company or its subsidiary) become shareholders of the resulting company by virtue of the demerger, otherwise than as a result of the acquisition of the property or assets of the demerged company or any undertaking there by the resulting company;
 - f. the transfer of the undertaking is on a going concern basis; and
 - g. the demerger is in accordance with the conditions, if any notified under sub section (5) of section 72A of the Income tax Act, 1961 by the Central Government in this behalf
- (ii) in so far as it relates to the merger of XOSL into TACL, has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including section 2(1B) of the Income tax Act, 1961, which include the following:
 - a. all the property of the amalgamating company or companies immediately before the amalgamation become the property of the amalgamated company by virtue of the amalgamation;
 - b. all the liabilities of the amalgamating company or companies immediately before the amalgamation become the liabilities of the amalgamated Company by virtue of the amalgamation;
 - c. shareholders holding not less than three-fourths in value of the shares in the amalgamating company or companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company by virtue of the amalgamation, otherwise than as a result of the acquisition of the property of one company by the other company pursuant to the purchase of such property by the other company or as a result of the distribution of such property to the other company after the winding up of the first mentioned company.

and other relevant sections of the Income tax Act, 1961 If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of

Directors of TACL, which power shall be exercised reasonably in the best interest of the companies and their shareholders, and which power can be exercised at any time, whether before or after the Effective Date.

SECTION B : DEMERGER OF IT BUSINESS UNDERTAKING

5. TRANSFER OF DEMERGED UNDERTAKING

- 5.1 With effect from the Appointed Date, the Demerged Undertaking shall, pursuant to the provisions contained in section 394 (2) of the Act and other provisions of law for the time being in force and without any further act or deed, be demerged from XOIL, and be transferred to and vested in or be deemed to have been transferred to and vested in TACL on the Appointed Date, on a going concern basis, so as to become as and from the Appointed Date, the undertaking of TACL, and to vest in the Transferee Company all the rights, title interest or obligations of XOIL therein.
- 5.2 All assets acquired by XOIL after the appointed Date and prior to the Effective Date for operation of the Demerged Undertaking or pertaining to Demerged Undertaking shall be deemed to have been acquired for and on behalf of the Transferee Company.
- 5.3 In respect of such of the assets of the Demerged Undertaking (mentioned in Clause 5.1 and Clause 5.2) as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over, or endorsed and delivered, by XOIL and shall become the property of the Transferee Company as an integral part of the Demerged Undertaking transferred to it. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of XOIL and the Board of Directors (or a Duly authorized committee) of the Transferee Company within thirty days from the Effective Date.
- 5.4 In respect of movables of the Demerged Undertaking other than those specified in Clause 5.3 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the following modus operandi for intimating to third parties shall to the extent possible be followed.
 - (i) TACL shall give notice in such form as it may deem fit and proper, to each person, debtor or depositor as the case may be, that pursuant to the Hon'ble High Court of Punjab & Haryana having sanctioned the present Scheme under section 391 read with section 394 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of TACL as the person entitled thereto to the end and intent that the right of XOIL to recover or realise the same stands extinguished and that appropriate entry should be passed in its books to record the aforesaid change;
 - (ii) XOIL shall also give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to sanction of the Hon'ble High Court of Punjab & Haryana to the Scheme under section 391 read with section 394 of the act the said debt, Loan, advance or deposit be paid or made good or held on account of TACL and that the right of XOIL to recover or realise the same stands extinguished.
- 5.5 In respect of such of the assets of the Demerged Undertaking other than those referred to in Clause 5.3 and 5.4 above, the same shall, as more particularly provided in Clause 5.1 above, without any further act, instrument or deed, be transferred to and vested in and / or be deemed to be transferred to and vested in the Transferee Company on the Appointed Date pursuant to the provisions of section 394 of the Act or other provisions of law as applicable.
- 5.6 It is hereby clarified that the rest of the assets and liabilities (other than those forming part of the Demerged Undertaking or otherwise specified in this scheme), if any, of XOIL Shall Continue to vest in XOIL.
- 5.7 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws, consents, permissions, licenses, registrations, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of XOIL, and the rights and

benefits under the same shall, in so far as they relate to the Demerged Undertaking and all certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the Demerged Undertaking, be transferred to and vested in the Transferee Company.

In so far as the various incentives, including all benefits pursuant to the EPCG scheme, licenses, subsidies (including applications for subsidies), grants, special status and other benefits or privileges granted by any Government body, local authority or by any other person, enjoyed or availed of by XOIL are concerned, the same shall, without any further act or deed, in so far as they relate to the Demerged Undertaking, vest with and be available to the Transferee Company on the same terms and conditions.

5.8 It is clarified that, upon the coming into effect to the Scheme, the following liabilities and obligations of XOIL as on the Appointed Date and being a part of the Demerged Undertaking shall, without any further act or deed be and shall stand transferred to the Transferee Company, and all right, powers, duties and obligations in relation thereto shall stand transferred to and vested in and shall be exercised by or against the Transferee Company as if it had entered into such loans or incurred such borrowings and the Transferee Company undertakes to meet, discharge and satisfy the same:

- (i) the liabilities which directly and specifically arose out of the activities or operations of the Demerged Undertaking.
- (ii) specific loans or borrowings raised, if any and incurred and utilized solely for the activities or operations of the Demerged Undertaking.
- (iii) in cases other than those referred to in sub-clauses (i) and (ii) above, proportionate part of the general or multipurpose borrowings and liabilities of XOIL allocable to the Demerged Undertaking in the same proportion in which the value of the assets of XOIL transferred under this Scheme bears to the total value of the assets of XOIL immediately before the demerger. It is hereby clarified that upon the coming into effect of this Scheme, where any regulatory approvals are required for the purposes of apportioning the general or multipurpose borrowings as provided herein, the same shall be obtained by XOIL and / or the Transferee Company by way of specific applications in this behalf.

5.9 Where any of the liabilities and obligations of XOIL as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by XOIL after the Appointed Date and prior to the Effective Date through cash payment or in any other manner whatsoever, such discharge shall be deemed to have been for and on account of the Transferee Company. All loans raised and used and all liabilities and obligations incurred by XOIL for the operations of the Demerged Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall become its liabilities and obligations.

5.10 Upon the coming into effect of this Scheme, the balances as on the Appointed Date of general or multipurpose borrowings shall be transferred to and assumed by TACL in the proportion provided in Clause 5.8 above. Thus, the primary obligation to redeem or repay such transferred liabilities shall be that of the Transferee Company. However, without prejudice to such transfer of proportionate liability amount, where considered necessary for the sake of convenience and towards facilitating single point creditor discharge, TACL may discharge such liability (including accretions thereto) by making payment on the respective due dates to XOIL, which in turn shall make payments to the respective creditors.

5.11 Upon the coming into effect of this Scheme, in so far as the security in respect of the liabilities of XOIL as on the Appointed Date is concerned, it is hereby clarified that XOIL and the Transferee Company shall, subject to confirmation by the concerned creditors(s), mutually agree upon and arrange for such security as may be considered necessary to secure such liabilities, and obtain such consents under law as may be prescribed.

Provided however, any reference in any security documents or arrangements (to which XOIL is a party) to the assets of XOIL offered or agreed to be offered as security for any financial assistance or

obligations, shall be construed as reference only to the assets pertaining to Demerged Undertaking of XOIL as are vested in the Transferee Company by virtue of the aforesaid Clauses, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of XOIL or any of the assets of the Transferee Company.

Provided further that the are securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of XOIL vested in the Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by XOIL which shall vest in the Transferee Company by virtue of the demerger of the Demerged Undertaking into the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefor after the Scheme has become operative.

- 5.12 Upon the coming into effect of this Scheme, the borrowing limits of the Transferee Company in terms of section 293 (1) (d) of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of XOIL which are being transferred to the Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of the Transferee Company, with effect from the Appointed Date.
- 5.13 The provisions of this Clause insofar as they relate to the transfer of liabilities to the Transferee Company shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instrument shall stand modified and/or superseded by the foregoing provisions.
- 5.14 It shall not be necessary to obtain the consent of any third party or other person who is a party to any contact or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen in order to give effect to the provisions of this Clause, except to the extent required under law.
- 5.15 It is hereby clarified that all assets and liabilities of the Demerged Undertaking shall be transferred at values appearing in the books of account of XOIL as on the Appointed Date which are set forth in the closing balance sheet of XOIL as of the close of business hours on the date immediately preceding the Appointed Date.

SECTION C : AMALGAMATION OF XOSL INTO TACL

6. TRANSFER OF XOSL UNDERTAKING

- 6.1 With effect from the Appointed Date, the whole of the XOSL Undertaking, comprising all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of section 391 read with section 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in TACL as a going concern so as to become as and from the Appointed Date the assets and liabilities of TACL and to vest in TACL all the rights, title, interest or obligations of XOSL therein. All assets acquired by XOSL after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in TACL upon the coming into effect of the Scheme. As regards transfer of specified movable assets, Clauses 6.2 and 6.3 below provide for the physical mode of effecting transfer.
- 6.2 All the movable assets including cash in hand, if any, of XOSL, capable of passing by manual delivery or by endorsement and delivery, shall be so delivered or endorsed and delivered, as the case may be, to Transferee Company. Such delivery shall be made within thirty days from the Effective Date.
- 6.3 In respect of movables other than those specified in Clause 6.2 above, including sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances, deposits and balances, if any, with Government, Semi-Government, local and other authorities and bodies, customers and other persons, the following modus operandi for intimating to third parties shall to the extent possible be followed:

- (i) Transferee Company shall give notice in such form as it may deem fit and proper, to each person, debtor or depositor as the case may be, that pursuant to the Hon'ble High Court of Punjab & Haryana having sanctioned the present Scheme under section 391 read with section 394 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of Transferee Company as the person entitled thereto to the end and intent that the right of XOSL to recover or realize the same stand extinguished and that appropriate entry should be passed in its books to record the aforesaid change;
- (ii) XOSL shall also give notice in such form as it may deem fit and proper to each person, debtor or depositor that pursuant to sanction of the Hon'ble High Court of Punjab & Haryana to the Scheme under section 391 read with section 394 of the Act, the said debt, loan, advance or deposit be paid or made good or held on account of Transferee Company and that the right of XOSL to recover or realize the same stands extinguished.

6.4 With effect from Appointed date, all debts, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of XOSL shall also, under the provisions of sections 391 to 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to Transferee Company so as to become as and from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of Transferee Company and it shall not be necessary to obtain the consent of any third party or other persons who is a party to any contract or arrangement by virtue of which such debts, liabilities, contingent liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Sub-Clause.

6.5 The transfer and vesting of the Undertaking of XOSL as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of XOSL.

Provided however, any reference in any security documents or arrangements (to which XOSL is a party) to the assets of XOSL offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Undertaking of XOSL as are vested in Transferee Company by virtue of this Scheme, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of XOSL or any of the assets of the Transferee Company.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of the Transferee Company shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of XOSL vested in Transferee Company.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by XOSL which shall vest in the Transferee Company by virtue of the amalgamation of XOSL with the Transferee Company and the Transferee Company shall not be obliged to create any further or additional security therefor after the Scheme has become operative.

6.6 In so far as the various incentives, licenses, subsidies (including applications for subsidies), grants, special status and other benefits or privileges granted by any Government body, local authority or by any other person, enjoyed or availed of by XOSL are concerned, the same shall without any further act or deed, vest with and be available to TACL on the same terms and conditions.

6.7 Loans or other obligations, if any, due between or amongst XOSL and Transferee Company shall stand discharged and there shall be no liability in that behalf.

6.8 Where any of the liabilities and obligations of XOSL as on the Appointed Date deemed to be transferred to Transferee Company have been discharged by XOSL after the Appointed Date and prior to the Effective Date, such discharged shall be deemed to have been for and on account of Transferee Company, and all loans raised and used and all liabilities and obligations incurred by XOSL for the operations of the Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of Transferee Company and to the extent they

are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to Transferee Company and shall become its liabilities and obligations.

- 6.9 Upon the coming into effect of this Scheme, the borrowing limits of Transferee Company in Terms of section 293 (1)(d) of the Act shall be deemed without any further act or deed to have been enhanced by the aggregate liabilities of XOSL which are being transferred to Transferee Company pursuant to the Scheme, such limits being incremental to the existing limits of Transferee Company, with effect from the Appointed Date.

SECTION D : ISSUE OF SHARES/ACCOUNTING TREATMENT

7. ISSUE OF SHARES

In relation to demerger of Demerged Undertaking

- 7.1 Upon the coming into effect of this Scheme and in consideration of the demerger of the Demerged Undertaking in the Transferee company pursuant to this Scheme, the Transferee Company shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the **"New Equity Shares"**) at par on a proportionate basis to each member of XOIL whose name is recorded in the register of members of XOIL as holding equity shares on the Specified Date in the ratio of 1:100 i.e, 1 (one) equity share of Rs 10 each of the Transferee company to be issued for every 100 (hundred) equity share of Rs 10 each of XOIL, held by the member.

In relation to amalgamation of XOSL Undertaking

- 7.2 Upon the coming into effect of this Scheme and in consideration of the amalgamation of XOSL into the Transferee Company pursuant to this Scheme, the Transferee Company shall, without any further act or deed and without any further payment, issue and allot equity shares (hereinafter also referred to as the **"Fresh Equity Share on XOSL amalgamation"**) at par to each member of XOSL whose name is recorded in the register of members of XOSL as holding equity shares on the Specified Date in the ratio of 105:100 i.e, 105 (one hundred and five) equity shares of Rs. 10 each of the Transferee Company to be issued for every 100 (one hundred) equity shares of Rs 10 each of XOSL, held by the member.
- 7.3 The New Equity Shares and Fresh Equity Shares on XOSL amalgamation (collectively referred to as **"Additional Equity Share"**) to be issued and allotted pursuant to Clause 7.1 and Clause 7.2 respectively, shall in all respects rank *pari passu* with the existing equity shares of the Transferee Company, for dividend and all other benefits and on all respect with effect from the date of their allotment except that in respect of dividend that may be declared after the Effective Date such shares will be entitled for such dividend from the Appointed Date.
- 7.4 In case any member's holding in XOIL or XOSL is such that the member becomes entitled to a fraction of any equity share in the Transferee Company, the Transferee Company shall not issue fractional share certificates to such members but shall consolidate such fractions and issue consolidated equity shares to separate trustees nominated by the Transferee Company in that Behalf, who shall sell such shares and distribute the net sale proceeds (after deduction of the expenses incurred) to the members respectively entitled to the same in proportion to their fractional entitlements.
- 7.5 The Additional Equity Shares to be issued and allotted in terms hereof will be subject to the Memorandum and Articles of Association of the Transferee Company.
- 7.6 The Transferee Company shall, if and to the extent required, apply for and obtain any approvals from the concerned regulatory authorities for the issue and allotment by the Transferee Company of Additional Equity shares to the members of XOIL and XOSL respectively.
- 7.7 The Additional Equity Shares of the Transferee Company issued in Terms of Clauses 7.1 and Clause 7.2 respectively shall, subject to the provisions of the listing agreement and payment of the appropriate fee, be listed on the stock exchanges where the shares of the Transferee Company are listed. The Transferee Company would obtain such approvals as may be necessary for the aforesaid listing on recognized stock exchanges(s) by making suitable applications in this behalf.

7.8 Equity shares to be issued by the Transferee Company pursuant to clauses 7.1 and Clauses 7.2 of this Scheme, in respect of any equity shares of XOIL or XOSL which are held in abeyance under the provisions of section 206A of the Act or otherwise, shall pending allotment or settlement of dispute by order of court or otherwise be held by the trustees appointed by the Transferee Company.

7.9 Insofar as the allotment of shares pursuant to Clause 7 is concerned, each member of XOIL and XOSL shall have the option to be exercised, by giving a notice to the Transferee Company, on or before such date as may be determined by the Board of Directors of the Transferee Company, to receive the shares either in physical certificate form or in dematerialized form. In the event the Transferee Company does not receive such notice or requisite details in respect of any member, the Transferee Company may allot shares in dematerialized form to the extent it has the necessary details of the account holder for issue of shares in dematerialized form and in respect of other members, issue share certificates in physical form. In respect of those members exercising the option to receive the shares in dematerialized form such members shall have opened and maintained an account with a depository participant, and shall provide such other confirmation, information and details as may be required.

7.10 In the event of there being any pending and valid share transfers, whether lodged or outstanding, of any shareholder of XOIL or XOSL, the Board of Directors or any committee thereof of the Transferee Company, shall be empowered in appropriate case, even subsequent to Specified Date, to effectuate such a transfer in XOIL or XOSL, as if such changes in registered holder were operative as on the specified Date in order to remove any difficulties arising to XOIL/XOSL/ transferee Company of such shares.

8. INTER-COMPANY SHAREHOLDING

Upon the coming into effect of the Scheme and pursuant to the merger of XOSL with TACL and demerger to the Demerged Undertaking into TACL, TACL would not be required to issue New Equity Shares in consideration of equity shares of XOIL that are held by XOSL.

9. ACCOUNTING TREATMENT

Treatment in the books of TACL

9.1 Upon the coming into effect of this Scheme, TACL shall record all the assets and liabilities of the Demerged Undertaking transferred to it in pursuance of this Scheme at their respective book values thereof appearing in the books of account of XOIL at the close of business of the day immediately preceding the Appointed Date.

9.2 TACL shall, upon the Scheme coming into effect, record the assets and liabilities of XOSL vested in it pursuant to this Scheme, at the respective book values thereof as appearing in the books of XOSL at the close of business of the day immediately preceding the Appointed Date.

9.3 Further, the amount arising as an accounting differential for the Transferee Company, on account of the difference between:

- (a) the amount representing the surplus of assets over liabilities of the Demerged Undertaking and XOSL respectively recorded in its books of account and expenses incurred in implementing the Scheme; and
- (b) the aggregate of the face value of Additional Equity shares issued by the Transferee Company in terms of Clause 7.1 and Clause 7.2 above,

Shall be adjusted in or added to the General Reserve of the Transferee Company, as the case may be. This amount shall be free for distribution as dividend, shall for all purpose constitute a part of the free reserves of the Transferee Company.

9.4 Subsequent to the above, in case of any differences in accounting policy between XOSL and TACL, the impact of the same till Appointed Date will be quantified and adjusted in the General Reserve of TACL, to ensure that the financial statements of TACL reflect the financial position on the basis of consistent accounting policy.

- 9.5 To the extent that there are inter-corporate loans or balances between the Demerged Undertaking and TACL or between XOSL and TACL, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of TACL for the increase or reduction of any assets or liabilities, as the case may be.
- 9.6 To the extent that there are inter-corporate loans or balance between XOSL and Demerged Undertaking, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of TACL for the increase or reduction of any assets or liabilities, as the case may be.
- 9.7 For the removal of doubts, it is hereby clarified that there would be no accrual of interest or other charges in respect of any inter-company loans or balances between XOSL and TACL, between XOSL and the Demerged Undertaking and between TACL and the Demerged Undertaking during the period between the Appointed Date and Effective Date.

It is also clarified that there would be no accrual of income or expense on account of any other transactions, including *inter alia* any transactions in the nature of sale or transfer of any goods or services between TACL, XOSL and the Demerged Undertaking during the period between the Appointed Date and the Effective Date.

- 9.8 Notwithstanding the above, TACL, in consultation with the statutory auditors, is authorized to account any of these balances in any manner whatsoever, if considered more appropriate.
- 9.9 It is hereby clarified that all transactions during the period between the Appointed Date and Effective Date relating to the Demerged Undertaking and XOSL would be duly reflected in the financial statements of the Transferee Company, upon the Scheme Coming into effect.

Treatment in the Books of XOIL

- 9.10 Upon the Coming into effect of this Scheme, with effect from the Appointed Date, the accounts representing the assets and liabilities of the Demerged Undertaking shall stand closed on transfer to the Transferee Company. Insofar as the accounts representing common or multipurpose borrowings referred to in Clause 5.8 are concerned, they shall stand reduced by the amount transferred to the Transferee Company in accordance with the provisions of this Scheme.
- 9.11 In this regard, it is hereby clarified that the difference between the assets and liabilities transferred on the demerger, shall be adjusted by credit to the General Reserve of XOIL

SECTION E : OTHER PROVISIONS

10. BUSINESS AND PROPERTY IN TRUST

- 10.1 As and from the Appointed Date upto and including the Effective Date
- (i) XOSL and XOIL (to the extent of the Demerged Undertaking), shall carry on and be deemed to have carried on their business and activities and shall stand possessed of all their assets and properties, in trust for Transferee Company and shall account for the same to Transferee Company.
 - (ii) income or profit accruing or arising to XOSL and the Demerged Undertaking and all costs, charges, expense and losses or taxes (including deferred tax balances, if any) incurred by XOSL and the Demerged Undertaking shall for all purpose be treated as the income, profits, costs, charges, expenses and losses or taxes (including deferred tax balances, if any), as the case may be, of Transferee Company and shall be available to Transferee Company for being disposed off in any manner as it thinks fit.
 - (iii) XOIL and XOSL shall not declare any dividend for the period commencing from and after the Appointed Date till the Effective Date without the prior written consent of Transferee Company.
- 10.2 With effect from the Appointed Date, all debts, liabilities, duties and obligations of the Demerged Undertaking and XOSL, as the case may be, as on the close of business on the date preceding the

Appointed Date, whether or not provided in the books of the Demerged Undertaking or XOSL, and all liabilities which arise or accrue on or after the Appointed Date shall be deemed to be the debts, liabilities, duties and obligations of Transferee Company.

11. CONDUCT OF BUSINESS

11.1 With effect from the date of approval of the Scheme by the Board of Directors of XOIL and XOSL, as the case may be, and upto the Effective Date:

- (i) XOIL (to the extent related to the Demerged Undertaking) and XOSL shall carry on their business with reasonable diligence and in the same manner as they had been doing hitherto fore, and XOIL and XOSL shall not alter or substantially expand the business of the Demerged Undertaking and XOSL, as the case may be except with the written concurrence of Transferee Company.
- (ii) XOIL (to the extent related to the Demerged Undertaking) and XOSL shall not, without the written concurrence of Transferee Company, alienate, charge or encumber any of their properties, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of XOIL and XOSL as the case may be.
- (iii) XOIL (to the extent of Demerged Undertaking) and XOSL shall not, without the written concurrence of Transferee Company, vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of XOIL and XOSL, as the case may be the terms and conditions of employment of any of its employees, nor shall they conclude settlement with employees.

12. LEGAL PROCEEDINGS

12.1 All legal proceedings of whatsoever nature by or against the Demerged Undertaking and XOSL pending and / or arising on or after the Appointed Date and relating to the Demerged Undertaking and XOSL as the case may be, or its properties, assets, debts, liabilities, duties and obligations, shall be continued and / or enforced until the Effective Date as desired by TACL and as and from the Effective Date shall be continued and enforced by or against TACL in the same manner and to the same extent as would or might have been continued and enforced by or against XOIL or XOSL. On and from the Effective Date, TACL shall and may, if required, initiate any legal proceeding in its name in relation to XOIL or XOSL in the same manner and to the same extent as would or might have been initiated by XOIL or XOSL.

12.2 After the Appointed Date, if any proceedings are taken against XOIL (to the extent they relate to the Demerged Undertaking) or XOSL, the same shall be defended by and at the cost of TACL, subject to the coming into effect of the Scheme.

13. CONTRACTS AND DEEDS

Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, insurance policies and other instruments, if any, of whatsoever nature to which XOIL (to the extent related to the Demerged Undertaking) or XOSL is a party and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of TACL, as the case may be, and may be enforced by or against TACL as fully and effectually as if, instead of XOSL or XOIL, TACL had been a party thereto. TACL may enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which XOIL or XOSL will if necessary, also be party in order to give formal effect to the provisions of the Scheme, if so required or if so considered necessary. TACL shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of XOIL or XOSL, as the case may be, and to implement or carry out all formalities required on the part of XOIL or XOSL to give effect to the provisions of this Scheme. It is clarified that any inter-se contracts between the Demerged Undertaking, XOSL and TACL as on the Effective Date shall stand merged and vest in TACL.

14. SAVING OF CONCLUDED TRANSACTIONS

The transfer and vesting of the assets, liabilities and obligations of the Demerged Undertaking and XOSL and the continuance of proceedings by or against TACL shall not affect any transaction or

proceedings already concluded by the Demerged Undertaking and XOSL on or before the date when XOIL and XOSL, as the case may be adopt the Scheme in their Board meeting, and after the date of such adoption till the Effective Date, to the end and intent the TACL accepts and adopts all acts, deeds and things done and executed by the Demerged Undertaking and XOSL in respect thereto as done and executed on behalf of itself.

15. DISSOLUTION OF XOSL

Subject to an order being made by the Hon'ble High Court of Punjab & Haryana under section 394 of the Act, XOSL shall be dissolved without the process of winding up, on the Scheme becoming effective, in accordance with the provisions of the Act and the rules made thereunder.

16. STAFF AND EMPLOYEES

- 16.1 On the Scheme coming into effect, all staff and employees of the Demerged Undertaking and XOSL shall be deemed to have become staff and employees of TACL without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with TACL shall not be less favourable than those applicable to them with reference to XOIL and XOSL respectively on the Effective Date.
- 16.2 Upon the Scheme coming into effect, the accounts of the employees employed by the Demerged Undertaking and XOSL, relating to Provident Fund, Gratuity and any other fund shall be identified, determined and transferred to the respective funds of TACL and the employees shall be deemed to have become members of such trusts/ funds of TACL. XOIL and XOSL shall take all steps necessary for the transfer of the Provident Fund, Gratuity and any other fund of employees, pursuant to the Scheme, to TACL. The obligation to make contributions to the said fund or funds shall be transferred to the Transferee Company from the Effective Date in accordance with the terms provided in the respective trust deeds, if any to the end and intent that all rights, duties powers and obligations of XOIL (to the extent related to the Demerged Undertaking) and XOSL respectively in relation to such fund or funds shall become those of TACL and all the rights, duties and benefits of the employees employed in XOIL (to the extent related to the Demerged Undertaking) and XOSL under such funds and trust shall be protected, subject to be provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of the Demerged Undertaking of XOIL and XOSL will be treated as having been continuous and without any break in service for the purpose of the said fund or trusts.

17. GENERAL TERMS

- 17.1 It is clarified that all taxes payable by XOIL (to the extent related to the Demerged Undertaking) and XOSL, as the case may be, from the Appointed Date onwards including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of TACL. Accordingly, upon the Scheme becoming effective, if required, TACL is expressly permitted to revise its VAT returns, Sales tax returns, Service tax returns, other tax returns, and to claim refunds/ credits, pursuant to the provisions of this Scheme.

Upon the Scheme becoming effective, if required, TACL is also expressly permitted to revise its income tax returns and to claim benefit of tax losses / unabsorbed depreciation, refunds, advance tax and withholding tax credits, etc, pursuant to the provisions of this Scheme.

18. NO CHANGE TO BE EFFECTED IN CAPITAL STRUCTURE

XOIL and XOSL shall not make any change in their capital structure (by way of issue of bonus shares, convertible debentures, detachable warrants, equity or preference shares, options and calls fresh issue of rights shares, secured premium notes, zero interest bonds, or any other instruments raising capital) through any increase, decrease, reduction, reclassification, sub-division, consolidation, re-organization, or in any other manner, without the express written consent of TACL.

Further, in case of TACL, it is clarified that no alternation in the capital structure shall be effected subsequent to the Appointed Date save and except for such obligations for issue of shares subsisting on the Appointed Date, without the express written consent of XOIL and XOSL.

APPLICATION TO HIGH COURT AND OTHER AUTHORITY

- 19.1 XOIL, XOSL and TACL shall, with all reasonable dispatch, make applications to the Hon'ble High Court of Punjab & Haryana under section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meeting of the respective classes of the members and /or creditors of XOIL, XOSL and TACL as may be directed by the respective Hon'ble High Court.
- 19.2 On the Scheme being agreed to by the requisite majorities of the classes of the members and/ or creditors, XOIL, XOSL and TACL shall, with all reasonable dispatch, apply to the Hon'ble High Court for sanctioning the Scheme under section 391 and 394 of the Act, and for such other order or orders, as the Hon'ble High Court may deem fit for carrying the Scheme into effect.

20. CONDITIONALITY OF SCHEME

- 20.1 The Scheme is conditional upon and subject to:
- (i) the Scheme being agreed to by the respective requisite majority of Members and Creditors of XOIL, XOSL and TACL; and
 - (ii) the scheme being approved by the Hon'ble High Court of Punjab & Haryana.
- 20.2 This scheme, although to come into operation from the Appointed Date, shall become effective as follows:
- (i) For demerger of Demerged Undertaking - the date on which all necessary certified copies of orders under sections 391 to 394 of the Act are duly filed by XOIL and TACL with the jurisdictional Registrar of Companies.
 - (ii) For merger of XOSL Undertaking - the date on which all necessary certified copies of orders under sections 391 to 394 of the Act are dully filled by XOSL and TACL with the jurisdictional Registrar of Companies.

The abovementioned date of such filling shall be the respective "Effective Date" for the purpose of this Scheme.

21. EFFECT OF NON APPROVALS

- 21.1 In the event any of the said sanctions and approvals referred to Clause 20 above not being obtained and / or the Scheme not being passed as aforesaid before March 31, 2007 or within such further period or periods as may be agreed upon between TACL by its Directors, XOIL by its Directors and XOSL by its Directors (and which the Board of Directors are hereby empowered and authorised to agree to and extend from time to time without any limitations), this Scheme of Arrangement shall stand revoked, cancelled and be of no effect and null and void save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as may otherwise arise in law and in such event each party shall bear their respective costs, charges and expenses in connection with the Scheme.
- 21.2 If any part or section of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the respective Boards of Directors of XOIL, XOSL and TACL, as the case may be, affect the adoption or validity or interpretation of the other parts and / or provisions of this Scheme. It is hereby clarified that the Board of Directors of XOIL, XOSL and TACL, as the case may be, may in their absolute discretion adopt any part of this Scheme or declare the entire Scheme to be null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each Company shall bear its own cost or bear costs as may be mutually agreed. Such decisions shall not have an effect on the company that is not a part of such decision.

22. MODIFICATION OR AMENDMENT

XOIL by its Directors, TACL by its directors and XOSL by its Directors may assent to any modification(s) or amendment(s) in this Scheme which the Court and/or any other authorities may deem fit to direct or

impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/ or carrying out the Scheme and TACL (by its Directors), XOSL (by its Directors) and XOIL (by its Directors) and after the dissolution of XOSL, TACL (by its Directors) be and are hereby authorised to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give, effect to this Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the Court or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith.

23. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties (including the stamp duty and/ or transfer charges, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) of XOIL, XOSL and TACL arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by TACL.

Schedule 'A'

Immoveable property of the Demerged Undertaking

Sl. No.	Particulars
1.	Land located at 28-29, Electronic City, Sector-18. Gurgaon-122 001, measuring 3,339 square meters

Schedule 'B'

Intellectual property of the Demerged Undertaking

Form TM-1 filed for registration for the following trademarks:	
1.	Trademark No. 682114 "XO" (word mark) in Class 9
2.	Trademark No. 682112B "XO" (word mark with logo) in Class 9
3.	Application No. 01070869 for Trademark "Pepper" (word mark with logo) in Class 9

Schedule 'C'

Immoveable property of XOSL

Sl. No.	Particulars
1.	Land located at Plot No. 280-281 Udyog Vihar, Phase-VI, Sector- 37, Gurgaon - 122 001 measuring 2,000 square meters.

Dated this 1st day of February, 2007

(By the Court)

Sd/-

Assistant Registrar
For Registrar (Judicial)

IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH
(ORIGINAL COMPANY JURISDICTION)

COMPANY PETITION NO. 151 OF 2006
(Connected with Company Petition No. 122 of 2006)

Company Petition No. 151 of 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Section 394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon - 122016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector-37, Gurgaon-122 001, Haryana

IN THE MATTER OF :

Petition of Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121003, Haryana through Mr. Pankaj Dhawan (Company Secretary, Transferee Company)

.....PETITIONER (Transferee Company)

PETITION UNDER SECTION 394 OF THE COMPANIES ACT, 1956 FOR SANCTIONING OF THE SCHEME OF ARRANGEMENT OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEREE COMPANY) / PETITIONER WITH XO INFOTECH LIMITED (DEMERGED COMPANY AND XO STAMPINGS LIMITED (TRANSFEROR COMPANY) (ANNEXURE P-1)

PRAYER :

- (a) The said Scheme of Arrangement between the Petitioner (Transferee Company) viz. Talbros Automotive Components Limited, with XO Infotech Limited (Demerged Company), and XO Stampings Limited (Transferor Company), may kindly be sanctioned by this Hon'ble Court so as to be binding on all the Shareholders and Creditors of the Petitioner (Transferee Company) and all other persons concerned or connected or affected thereby;
- (b) Order that a notice of the hearing of the Petition be published in the "The Economic times" (English, Delhi Edition), "Indian Express" (English/Delhi Edition) "Dainik Bhaskar" (English/Delhi Edition) and the Haryana Government Gazette as required by the Companies (Court) Rules, 1959;
- (c) Sanction the Scheme of Arrangement, ANNEXURE P-I, so as to be binding with effect from the appointed date on both the parties hereto as also their respective shareholders;
- (d) Order that as per the Scheme of Arrangement ANNEXURE P-I, the property rights of the Transferor Company and the Demerged Undertaking of the Demerged Company and liabilities shall pursuant to Sections 391/394 of the Act without any further act or deed be transferred to vest in or be deemed to

have been transferred to and vested in the Petitioner (Transferee Company) as per the terms of the Scheme;

- (e) Order that all employees of the Transferor Company (XO Stampings Limited) and Demerged Undertaking of the Demerged Company (XO Infotech Limited) as on the Effective Date (as mentioned in the Scheme) shall become employees of the Petitioner (Transferee Company viz Talbros Automotive Components Limited) without any break or interruption in service and on the same terms and conditions on which they are engaged as on the Effective Date in the manner as provided in the scheme with effect from the Transfer date;
- (f) Pass such further or other orders as may be deemed appropriate in the given circumstances such as incidental, consequential or supplemental matters as this Hon'ble Court may deem fit and necessary in the ends of justice and to secure the said Companies or arrangement being the said Scheme of Arrangement of the Petitioner (Transferee Company viz Talbros Automotive Components Limited) with Demerged Company (XO Infotech Limited) and Transferor Company (XO Stampings Limited), may also be passed.

COMPANY PETITION NO. 152 OF 2006

(Connected with Company Petition No. 123 of 2006)

Company Petition No. 152 of 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Section 394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbros Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad- 121 003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon - 122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector-37, Gurgaon-122 001, Haryana

IN THE MATTER OF :

Petition of XO Infotech Limited (Demerged Company), a Company incorporated under the Companies Act, 1956, having its registered office at 28, Electronic City, Sector 18, Gurgaon-122 016, Haryana through Mrs. Vandana Arun (Company Secretary, Demerged Company)

.....PETITIONER (Demerged Company)

PETITION UNDER SECTION 394 OF THE COMPANIES ACT, 1956 FOR SANCTIONING OF THE SCHEME OF ARRANGEMENT OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEE COMPANY) WITH XO INFOTECH LIMITED (DEMERGED COMPANY / PETITIONER) AND XO STAMPINGS LIMITED (TRANSFEROR COMPANY) (ANNEXURE P-1)

PRAYER :

- (a) The said Scheme of Arrangement between the (Transferee Company viz. Talbros Automotive Components Limited, with XO Infotech Limited (Demerged Company/ Petitioner) , and XO Stampings Limited (Transferor Company), may kindly be sanctioned by this Hon'ble Court so as to be binding on all the Shareholders and creditors of the Petitioner (Demerged Company) and all other persons concerned or connected or affected thereby;

- (b) Order that a notice of the hearing of the Petition be published in the "The Economic times" (English, Delhi Edition), "Indian Express" (English, Delhi Edition) "Dainik Bhaskar" (English/Delhi Edition) and the Haryana Government Gazette as required by the Companies (Court) Rules, 1959;
- (c) Sanction the Scheme of Arrangement, ANNEXURE P-I, so as to be binding with effect from the appointed date on all the parties hereto as also their respective shareholders;
- (d) Order that as per the Scheme of Arrangement ANNEXURE P-I, the property rights and liabilities of the Demerged Undertaking of the Demerged Company (Petitioner) shall pursuant to Sections 391/394 of the Act without any further act or deed be transferred to vest in or be deemed to have been transferred to and vested in the Transferee Company as per the terms of the Scheme;
- (e) Pass such further or other orders as may be deemed appropriate in the given circumstances such as incidental, consequential or supplemental matters as this Hon'ble Court may deem fit and necessary in the ends of justice and to secure the said Companies or arrangement being the said Scheme of Arrangement of the Transferee Company (Talbro Automotive Components Limited) with Demerged Company (XO Infotech Limited) and Transferor Company (XO Stampings Limited), may also be passed.

COMPANY PETITION NO. 153 OF 2006

(Connected with Company Petition No. 124 of 2006)

Company Petition No. 153 of 2006

IN THE MATTER OF :

The Companies Act, 1956

IN THE MATTER OF :

Section 394 of the Companies Act, 1956

IN THE MATTER OF :

The Scheme of Arrangement between Talbro Automotive Components Limited (Transferee Company), a Company incorporated under the Companies Act, 1956, having its registered office at 14/1, Delhi Mathura Road, Faridabad - 121003, Haryana with

XO Infotech Limited (Demerged Company), a company incorporated under the Companies Act, 1956, having its registered office at 28 Electronic City, Sector 18, Gurgaon- 122 016, Haryana and

XO Stampings Limited (Transferor Company), a company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector-37, Gurgaon - 122 001, Haryana

IN THE MATTER OF :

Petition of XO Stampings Limited (Transferor Company), a Company incorporated under the Companies Act, 1956, having its registered office at 280-281, Udyog Vihar, Phase VI, Sector-37, Gurgaon - 122001, Haryana

.....PETITIONER (Transferor Company)

PETITION UNDER SECTION 394 OF THE COMPANIES ACT, 1956 FOR SANCTIONING OF THE SCHEME OF ARRANGEMENT OF TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEE COMPANY) WITH XO INFOTECH LIMITED (DEMERGED COMPANY) AND XO STAMPINGS LIMITED (TRANSFEROR / PETITIONER COMPANY)

PRAYER :

- (a) The said Scheme of Arrangement between the Transferee Company viz. Talbro Automotive Components Limited, with XO Infotech Limited (Demerged Company), and XO Stampings Limited (Transferor Company or Petitioner), may kindly be sanctioned by this Hon'ble Court so as to be binding on all the Shareholders and creditors of the Petitioner (Transferor Company) and all other persons concerned or connected or affected thereby;

- (b) Order that a notice of the hearing of the Petition be published in the "The Economic times" (English, Delhi Edition), "Indian Express" (English, Delhi Edition) "Dainik Bhaskar" (English/Delhi Edition) and the Haryana Government Gazette as required by the Companies (Court) Rules, 1959;
- (c) Sanction the Scheme of Arrangement, ANNEXURE P-I, so as to be binding with effect from the appointed date on both the parties hereto as also their respective shareholders;
- (d) Order that as per the Scheme of Arrangement ANNEXURE P-I, the property rights of the Transferor Company and Demerged Company and liabilities shall pursuant to Sections 391/394 of the Act without any further act or deed be transferred to vest in or be deemed to have been transferred to and vested in the Transferee Company as per the terms of the Scheme;
- (e) Pass such further or other orders as may be deemed appropriate in the given circumstances such as incidental, consequential or supplemental matters as this Hon'ble Court may deem fit and necessary in the ends of justice and to secure the said Companies or arrangement being the said Scheme of Arrangement of the Transferee Company (Talbro Automotive Components Limited) with Demerged Company (XO Infotech Limited) and Petitioner or Transferor Company (XO Stampings Limited), may also be passed.

Before the Hon'ble Mr. Justice Hemant Gupta

Dated 1st of February, 2007

ORDER ON PETITION

Upon the above noted Company Petition Nos. 151 of 2006, 152 of 2006 and 153 of 2006 coming up for further hearing on 9.11.2006; upon pursuing the said petitions duly supported by the affidavits of Shri Pankaj Dhawan, Shri Harish Madan and Shri Navin Juneja respectively; the order dated 9.11.2006 whereby notice of the petitions was issued to the Regional Director, Ministry of Company Affairs, Northern Region, Noida and to the Official Liquidator and it was also directed that the notice of the petitions be also published in the "Economic Times" (New Delhi Edition), "The Indian Express" (All India Edition), "Dainik Bhaskar" and the Official Gazette of Government of Haryana; also upon reading the affidavit of Shri Anand Chhibbar, Advocate dated 19.12.2006 showing the publication of notice of the petitions under Section 394 of the Companies Act, 1956, in the "Economic Times", "Indian Express", "Dainik Bhaskar" dated 7.12.2006 and the Official Gazette of Government of Haryana dated 28.11.2006; and also upon hearing Shri Anand Chhibbar, Advocate for the petitioner companies and perusing the affidavits of Shri Rakesh Chandra, Regional Director, Northern Region, Ministry of Company Affairs, Noida dated 18.12.2006 and the report of the Official Liquidator dated 18.1.2007; and perusing all other materials placed on record **THIS COURT DOTH ORDER:**

- 1) That all the property, rights and powers of the Transferor Company (XO Stampings Limited) and IT Business Undertaking of the Demerged Company (XO Infotech Limited) specified in the first, second and third parts of the Schedule hereto and all other property, rights and powers of the Transferor Company and IT Business Undertaking of the Demerged Company be transferred without further act or deed to the Transferee Company and accordingly the same shall pursuant to Section 394(2) of the Companies Act, 1956/ be transferred to and vest in the Transferee Company for all the estate and interest of the Transferor Company and IT Business Undertaking of the Demerged Company therein but subject nevertheless to all charges now affecting the same, as per the Scheme of Arrangement.
- 2) That all the liabilities and duties of the Transferor Company and IT Business Undertaking of the Demerged Company be transferred without further act or deed to the Transferee Company and accordingly the same shall, pursuant to Section 394(2) of the Companies Act, 1956, be transferred to and become the liabilities and duties of the Transferee Company, as per the Scheme of Arrangement; and
- 3) That all proceedings now pending by or against the aforesaid Transferor Company and Demerged Company pertaining to the IT Business Undertaking of the Demerged Company be continued by or against the Transferee Company; and
- 4) That the Transferee Company do without further application allot to such members of the aforesaid Transferor company and the Demerged Company, the shares in the Transferee Company to which they are entitled as per the Scheme of Arrangement; and

- 5) That the aforesaid companies do within 30 days after the date of this order cause certified copy of this order to be delivered to the Registrar of Companies for registration and on such certified copies being so delivered the transferor company and IT Business Undertaking of the Demerged Company shall stand demerged into the transferee company and the Transferor Company shall stand dissolved without the process of winding up and the Registrar of Companies shall place all documents relating to the transferor company and registered with him on the file kept by him in relation to the aforesaid companies and the files relating to the aforesaid companies shall be consolidated accordingly.
- 6) That any person interested shall be liberty to apply to the Court in the above matter for any direction as may be necessary.

SCHEDULE

(As supplied by the Counsel)

(See Next Page)

SCHEDULE OF ASSETS OF THE ENTIRE UNDERTAKING OF XO STAMPINGS LIMITED (TRANSFEROR COMPANY) TO BE TRANSFERRED TO AND VESTED IN TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEE COMPANY) AS ON THE APPOINTED DATE FOR THE SCHEME OF ARRANGEMENT BETWEEN TALBROS AUTOMOTIVE COMPONENTS LIMITED, XO INFOTECH LIMITED AND XO STAMPINGS LIMITED.

PART - I

Short description of the freehold property of the Transferor Company to be transferred to the Transferee Company.

Land measuring 2,000 square meters located at Plot No. 280 -281 Udyog Vihar, Phase - VI, Sector - 37, Gurgaon -122 001, alongwith building.

PART - II

Short description of the Leasehold property of the Transferor Company to be transferred to the Transferee Company.

No Leasehold property is being transferred by the Transferor Company under the Scheme of Arrangement

PART - III

Short description of all the stocks, shares, debentures and other charges in action of the Transferor Company to be transferred to the Transferee Company.

Description of all stocks, shares, debentures and other charges in action of the Transferor Company to be transferred to the Transferee Company under the Scheme of Arrangement is as under:

- (i) 83,333 equity shares of T & T Motors Limited
- (ii) 96,900 equity shares of XO Infotech Limited
- (iii) Other assets as under:

Particulars	Net book value as on March 31,2006 (Amount in Rs. 000)
Tubewell	149
Plant & Machinery	21,715
Furniture & Fixture	355
Office equipment	340
Vehicle	1,982
Computers	155
Intangible asset-Software	184
Capital work in progress	147
Inventories	16,949
Sundry Debtors	45,393
Cash & Bank balance	850
Loans & Advances	3,104

SCHEDULE OF ASSETS OF THE IT BUSINESS UNDERTAKING OF XO INFOTECH LIMITED (DEMERGED COMPANY) TO BE TRANSFERRED TO AND VESTED IN TALBROS AUTOMOTIVE COMPONENTS LIMITED (TRANSFEEE COMPANY) AS ON THE APPOINTED DATE FOR THE SCHEME OF ARRANGEMENT BETWEEN TALBROS AUTOMOTIVE COMPONENTS LIMITED, XO INFOTECH LIMITED AND XO STAMPINGS LIMITED.

PART - I

Short description of the freehold property of the Demerged Company to be transferred to the Transferee Company.

Land measuring 3,339 square meters located at 28 -29, Electronic City, Sector - 18, Gurgaon -122 001 along with Buildings.

PART - II

Short description of the Leasehold property of the Demerged Company to be transferred to the Transferee Company.

No Leasehold property is being transferred by the Demerged Company under the Scheme of Arrangement

PART - III

Short description of all the stocks, shares, debentures and other charges in action of the Demerged Company to be transferred to the Transferee Company.

Description of all stocks, shares, debentures and other charges in action of the Demerged Company to be transferred to the Transferee Company under the Scheme of Arrangement is as under:

Particulars	Net book value as on February 28, 2006 (Amount in Rs. 000)
Plant & machinery	66,645
Computers	797
Furniture & fixture	859
Vehicles	525
Inventories	12,527
Sundry debtors	15,232
Cash & bank	1,745
Loans and advances	4,795

Intellectual property of the Demerged Company to be transferred to the Transferee Company under the Scheme of Arrangement is as under :

Form TM-1 filed for registration for the following trademarks:	
1.	Trademark No. 682114 "XO" (word mark) in Class 9
2.	Trademark No. 682112B "XO" (word mark with logo) in Class 9
3.	Application No. 01070869 for Trademark "Pepper" (word mark with logo) in Class 9

Dated this 1st day of February, 2007
(By the Court)

Sd/-
Assistant Registrar
For Registrar (Judicial).